

FISCAL YEAR 2007-08 BUDGET PLAN

I. EXECUTIVE SUMMARY

A. Agency Section/Code/Name: Section 9/J04/DHEC

B. Statewide Mission: The South Carolina Department of Health and Environmental Control (DHEC) is the public health and environmental protection agency for the state. The mission of the agency is to promote and protect the health of the public and the environment. In keeping with this mission, the primary goal of public health is to secure health; promote wellness for both individuals and communities by addressing the societal, environmental, and individual determinants of health; and protect the environment. DHEC efforts and action plans move the agency toward our vision of *healthy people living in healthy communities* and include: response to natural and man-made emergencies; response to chronic and emerging health threats that affect the quality of life; the continued formation of partnerships to address health and environmental concerns; environmental protection and its link to economic development; and coastal protection and management. To continue to effectively support the vision and mission of both the state and the agency requires resources for emerging health and environmental concerns, emergency preparedness and response, and maintenance of the agency's infrastructure.

C. Summary Description of Long-Term Goals and Strategic Goals in the agency's 2005-2010 Strategic Plan:

Goal 1: Increase support to and involvement by communities in developing healthy and environmentally sound communities.

Increase support to develop healthy communities.

Protect the public against food, water- and vector-borne diseases.

Promote a coordinated, comprehensive public health preparedness and response system for natural or man-made disasters or terrorist events.

Work with local governments and communities to improve land use plans to balance growth and natural resource protection.

Expand public knowledge of and involvement in environmental and health issues.

Goal 2: Improve the quality and years of healthy life for all.

Promote healthy behaviors.

Reduce the occurrence of vaccine preventable diseases.

Improve maternal and child health.

Improve the quality of life for seniors living at home and in long-term care facilities.

Improve access to comprehensive, high quality care.

Goal 3: Eliminate health disparities.

Reduce disparities in the incidence and the impact of communicable diseases.

Reduce the disparities in illness, disability and premature deaths from chronic diseases.

Goal 4: Protect, enhance and sustain environmental and coastal resources.

Protect the environment to improve public health and safety.
Enhance environmental and coastal resources.
Restore impaired natural resources and sustain them for beneficial use.
Protect coastal and other sensitive areas.

Goal 5: Improve organizational capacity and quality.

Provide continuous development of a competent and diverse workforce.
Provide reliable, valid and timely information for internal and external decision-making.
Ensure customer focus and cultural competence in the agency.
Improve the linkage between funding and agency strategic direction.
Improve operational efficiencies through the use of improved technology and facilities.

Each of the nineteen priorities in this year's Appropriations Request supports one or more of DHEC's broad goals and strategic goals and are critical to the agency's ability to achieve its mission.

Summary of Operating Budget Priorities for FY 2007-08		FUNDING					FTE'S			
		State Non-Recurring	State Recurring	Fed.	Other	Total	State	Fed.	Other	Total
Priority No. 1.	Title: Food Service Inspections and Dairy Product Testing Goals: 1-3 Activity Title: 966 - Infectious Disease Prevention-General Sanitation Program	\$115,500	\$2,522,054			\$2,637,554	42.00			42.00
Priority No. 2.	Title: Improved Water Quality Goal: 4 Activity Title: 952-Water Management – Water Pollution Control Program	\$500,000	\$3,470,134			\$3,970,134	42.00			42.00
Priority No. 3.	Title: Infectious Disease Prevention (Tuberculosis and Sexually Transmitted Diseases) Goals: 1-3 Activity Title: 967 - Infectious Disease Prevention, Surveillance, Investigation & Control	\$30,000	\$5,349,519			\$5,379,519	63.717			63.717
Priority No. 4.	Title: Health Facilities and Licensing Goals: 1-3 Activity Titles: 990 – Health Facilities Licensing & 989 – Health Facilities & Services Development		300,000			\$300,000	4.00			4.00
Priority No. 5.	Title: Infant Mortality Reduction Goals: 2 & 3 Activity Title: 970 – Maternal and Infant Health	\$40,000	\$1,096,160			\$1,136,160	16.00			16.00
Priority No. 6.	Title: Vaccine Purchases for Under-insured Children and Adolescents Goals: 1-3 Activity Title: 968 - Infectious Disease Prevention - Immunization Program II		\$4,754,582			\$4,754,582	8.00			8.00

Summary of Operating Budget Priorities for FY 2007-08		FUNDING					FTE'S			
		State Non-Recurring	State Recurring	Fed.	Other	Total	State	Fed.	Other	Total
Priority No. 7.	Title: Prevention of Diabetes & Other Chronic Disease Dispartities Goals: 1-3 Activity Titles: 973 – Chronic Disease Prevention & 975 – Assuring Public Health Services	\$120,000	\$3,696,141			\$3,816,141	37.00			37.00
Priority No. 8.	Title: Pandemic Influenza & Public Health Emergency Preparedness Goals: 1-5 Activity Titles: 978 – Protection from Public Health Emergencies	\$1,137,046	\$3,251,310			\$4,388,356	26.6			26.6
Priority No. 9.	Title: Air Quality Improvement – Mobile Sources & Other Non-Major Industrial Sources Goal: 4 Activity Title: 957 – Air Quality Improvement	\$150,000	\$1,101,047			\$1,251,047	19.00			19.00
Priority No. 10.	Title: Update of Beachfront Storm Damage Reduction Plans Goal: 4 Activity Title: 954 - Coastal Resource Improvement	\$1,345,372	\$74,628			\$1,420,000	1.00			1.00
Priority No. 11.	Title: Comprehensive Youth Tobacco Prevention & Cessation Program Goals: 1-3 Activity Titles: 973 – Chronic Disease Prevention & 974 – Youth Smoking Prevention		\$2,000,000			\$2,000,000	4.00			4.00
Priority No. 12.	Title: AIDS Drug Assistance Program (ADAP) Goals: 1-3 Activity Title: 967 - Infectious Disease Prevention, Surveillance, Investigation & Control Program		\$5,000,000			\$5,000,000	0.00			0.00

Summary of Operating Budget Priorities for FY 2007-08		FUNDING					FTE'S			
		State Non-Recurring	State Recurring	Fed.	Other	Total	State	Fed.	Other	Total
Priority No. 13.	Title: Hospital Infections Report Goal: 1 Activity Title: New	\$4,500	\$271,745			\$276,245	3.25			3.25
Priority No. 14.	Title: Healthy Children in Health Communities (Childhood Obesity Program) Goal: 2 & 3 Activity Title: New	\$38,400	\$724,625			\$763,025	7.50			7.50
Priority No. 15.	Title: Interstate Cooperation Program Goal: 4 Activity Title: 951 -Water Management - Drinking Water	\$578,000	\$178,077			\$756,077	2.00			2.00
Priority No. 16.	Title: Hazardous Waste Site Supervision Goal: 4 Activity Title: 959 - Land & Waste Management		\$333,985			\$333,985	5.00			5.00
Priority No. 17.	Title: Facility Improvements Goals: 1-5 Activity Title: 975 – Assuring Public Health Services, 952 – Water Management – Water Pollution Control, & 959 – Land & Waste Management	\$3,365,000				\$3,365,000	0.00			0.00
Priority No. 18.	Title: Onsite Wastewater Systems & Subdivisions Goal: 4 Activity Title: 966 – Infectious Disease Prevention – General Sanitation Program	\$46,750	\$873,839			\$920,589	17.00			17.00
Priority No. 19.	Title: Contaminated Hazardous Waste Sites Cleanup Fund Goal: 4 Activity Title: 959 Land & Waste Management		\$750,000			\$750,000	0.00			0.00
TOTAL OF ALL PRIORITIES		\$7,470,568	\$35,747,846			\$43,218,414	298.067			298.067

D. Agency Recurring Base Appropriation:

State	\$121,664,067
Federal	\$274,610,261
Other	\$157,878,263

E. Efficiency Measures: (includes dollars from all sources – state, federal and earned funds) Some examples of DHEC’s accomplishments during the past year to achieve greater efficiency, effectiveness and customer service improvement include:

- DHEC has systematically measured customer satisfaction at a statewide level for the past eight years (1998-2005) on the following indicators: familiarity with DHEC; use of services; overall satisfaction with the quality of service; satisfaction with specific aspects of service, such as waiting time, courtesy and attitude; staff competence/ability to answer questions; and accessibility. DHEC has a positive public image and, overall, South Carolinians are satisfied with the services. Consistently, DHEC has over 92% satisfaction with courtesy and attitude of staff even with significant reductions in staff over the past few years. Customer service is assessed at every level of the agency and in all customer groups. [Annual Accountability Report – Customer Focus III. 3.4 and Business Results - III.7.1.1- 4.]
- The agency provides fuel at the DHEC Fueling Facility to 13 external customers on an ongoing basis. They average purchasing approximately \$40,000.00 in unleaded and E85 (Ethanol) fuel per month. This is a saving of approximately \$0.15 per gallon over commercial pricing. The DHEC Fueling Facility has been designated as an emergency-refueling site for emergency and governmental vehicles in the event of a natural disaster.
- During the period of July 1, 2005 through June 30, 2006, the Facility Maintenance operation at State Park saved the state an estimated \$49,777.11 in material and labor cost when compared with the cost of using outside contractors.
- During the period of July 1, 2005 through June 30, 2006, the Vehicle Maintenance operation at State Park saved the state an estimated \$131,915.02 in material and labor cost when compared with the cost of using outside vendors or contractors.
- The Division of Supply and Inventory Management partnered with the Communications Resources Division to produce 7,000 Pandemic Flu Packets. This in-house production which includes copying, preparing and mailing the packets provided a significant cost savings over commercial vendors.
- The agency’s annual facilities lease obligation was reduced by \$90,941 during this reporting period from July 1, 2005 to June 30, 2006. These savings were produced through contract negotiations of existing leases and program review that led to consolidation and reduction in the amount of physical space required. Over the last five years, the agency has reduced its lease costs from \$8,738,340 to \$5,637,566, which is a cost reduction of 35.5 percent. [Annual Accountability Report - Business Results III.7.3]
- DHEC continues to increase the usage of the state-purchasing card instead of using purchase orders. There are currently 212 cardholders. This year, 14,634 purchases were made with the card totaling \$3,107,148.04. The average cost to process a purchase order is \$83.00 with the average processing time of fifty-four (54) minutes. The average purchasing card transaction cost is \$23.00

with an average processing time of fourteen 14 minutes. By using the purchasing card to acquire goods that would previously have been procured by purchase orders, the agency has realized a cost avoidance saving of \$878,040 this fiscal year. [Annual Accountability Report – Business Results III.7.3]

- The volume purchase of personal computers and other information technology products creates financial savings, reduces administrative activities and utilizes procurement planning across program lines. For FY06, the agency purchased fewer computers than in previous years, however the savings realized by this process still resulted in a savings of \$567,423 from the contract price. [Annual Accountability Report - Business Results III.7.3]
- The Bureau of Financial Management brought in a new check scanning system that directly deposits funds into the bank as checks are scanned. In addition, 84,000 PCAS records have been scanned, which reduces paper to file and will improve the access to and retrieval of information. [Annual Accountability Report – Process Management III.6.2.]
- The Bureau of Financial Management is working to further automate DHEC's payroll processing and enhance reports provided to the regions and program areas. [Annual Accountability Report – Process Management III.6.2.]
- The agency's credit card business has increased significantly over the past few years. In October 2005, a system was developed and implemented for customers who received automated invoices from the various program areas in DHEC to pay for those invoices online. In FY03, total credit card sales were \$880,054. As of April 30, 2006, total credit card sales were \$1,393,702. This is an increase of 58% in credit card processing in less than three years. Customers have been pleased with this option and availability of agency funds has improved.
- The Bureau of Financial Management is working with the Bureau of Information Systems to develop a process to automatically update changes to existing fund segments in AIMS, the agency's accounting system. This enhancement will eliminate errors that may result from manual entry and will save time. [Annual Accountability Report – Process Management III.6.2.]
- Since May 2005, over 500 businesses have been formed through SCBOS, an Internet site to help businesses get started in South Carolina. Those businesses represent all of South Carolina's 46 counties, 46 states and three different countries. It is estimated that SCBOS has saved businesses 52.5 man-years at an estimated value of \$1.6 million. Businesses can currently get a DHEC residential or irrigation well permit, a notification of demolition associated with asbestos license, an asbestos renovation permit and an underground storage tank installation permit through SCBOS. SCBOS is a tool for enhanced customer service for SC businesses that saves time and money.
- In 2004 the Underground Storage Tank program began full-scale implementation of a modified groundwater sampling technique at petroleum contaminated sites. This innovative sampling method, known as "no-purge," allows for quicker and easier sampling of groundwater without sacrificing data quality. Since implementing this innovative sampling approach, savings to the State Underground Petroleum Environmental Response Bank fund of more than \$500,000 have been realized. [Annual Accountability Report – Business Results III.7.2]
- The Small Business Assistance Program (SBAP) at DHEC serves as a non-regulatory advocate for small business in South Carolina.

The program provides a variety of free services to small businesses to help them understand and comply with their state and federal regulatory requirements.

- With the development and use of a common data model for internal agency systems (where data is shared and stored only once for use by any system), the agency has expanded the management use of the data through the use of Decision Cube technology. This feature allows users of DHEC systems to query information, create customized reports, examine and plot trends, and data mine across systems where data elements might be common to several program areas. This has led to better internal management with improved productivity tracking of staff as well as improved customer service. [Annual Accountability Report – Process Management III.4.2]
- DHEC maintains on call epidemiological capability in all eight health regions. Epi Teams immediately investigate reports of diseases or other events that may pose a threat to the public's health and implement control measures. Repeated testing of this statewide system has demonstrated 24/7 availability with a response time of trained disease response staff usually within an hour.
- The Maternal and Child Health Bureau (MCH) has developed a re-prioritization concept to identify services, define expectations, calculate costs, and align expectations to resources available at the local level. The bureau is in the process of working with local health regions to implement the concept and its various components to ensure successful implementation that is consistent and uniform.
- In FY05-06, the SC Health Alert Network (HAN) was used to communicate 28 health advisories and two health updates to healthcare providers across the state. Approximately 2,200 healthcare providers are currently enrolled in the HAN system, which is an increase of approximately 200 enrollees since FY04-05. The Health Alert messages disseminated included both CDC and DHEC generated content on subjects ranging from the stockpiling of antiviral medications to immunization guidelines for the displaced survivors of Hurricane Katrina.
- The Bureau of Air Quality (BAQ) has been working with stakeholders on the development of two significant regulatory initiatives to comply with EPA's Clean Air Interstate Rule and Clean Air Mercury Rule as well as the to revise and streamline our minor source permitting regulations. [Annual Accountability Report – Customer Focus III.3.3.]
- The BAQ strives to ensure that all stakeholders who are interested in agency regulations have the opportunity to have their opinions heard. The BAQ uses a variety of media to ensure that stakeholders are informed about the process: posting notices in the State Register; mailing hard copy notices; using use electronic mailings, and posting information on the agency Internet in an effort to reach as many stakeholders as possible. [Annual Accountability Report – Customer Focus III.3.3.]
- The Bureau of Water (BOW) established an internal workgroup to improve the public participation process. Work has begun to improve public notice readability and improve public meetings through the use of plain language and an environment that encourages input from participants. As with other environmental programs, the BOW is beginning a process of soliciting input from meeting attendees on how to improve our processes. [Annual Accountability Report – Customer Focus III.3.3.]

- A Director of Constituent Services handles customer issues by providing a central point of contact, responding in a timely manner and identifying possible trends. [Annual Accountability Report – Customer Focus III.3.3.]
- The Marsh Islands Advisory Committee, a diverse stakeholder group comprised of representatives from various interest groups, made recommendations to staff for the development of regulations for accessing coastal marsh islands. In addition to this committee, similar coastal stakeholder groups have been utilized to identify key issues, research needs and future strategies for funding allocations. [Annual Accountability Report – Customer Focus III.3.3.]
- DHEC staffs conduct public forums to allow the public to comment on draft regulations. Numerous forums are advertised and held during the year to allow comment and an opportunity for questions from industry, businesses and citizens. All comments (written and oral) become a part of the official documentation for each regulation. Public comments must be considered by staff and the DHEC Board when preparing the final regulation and in determining its need and reasonableness. [Annual Accountability Report – Customer Focus III.3.3.]
- Compliance assistance is part of DHEC’s commitment to customer service and is provided as part of a continuum of activities that includes public education and outreach, permitting, compliance and enforcement. DHEC has renewed its emphasis on compliance assistance to help South Carolina’s business, industry and government understand and meet their environmental obligations. DHEC partners with other assistance providers to develop and deliver compliance assistance to our customers. [Annual Accountability Report – Customer Focus III.3.5.]
- DHEC's compliance assistance web page, known as “COMPASS,” is designed to provide easy access to information on environmental regulatory requirements. Serving as a single point of entry for navigating the volumes of information available on DHEC's environmental web pages, COMPASS is designed to provide better service to our customers. It is particularly helpful in situations where customers need information but do not know where or how to find it. <http://www.scdhec.gov/eqc/admin/html/Compass/compass.html> [Annual Accountability Report – Customer Focus III.3.5.]
- Senate Bill 1263 passed the 2006 SC legislature. It creates a voluntary pilot program to test and evaluate the economic and administrative benefits of a statewide expedited permit review program at DHEC. Permit applicants who wish for an expedited review of their project will pay additional fees for this review. The voluntary pilot program will be tested initially for a few specific permit types to evaluate the ability of such a program to provide enhanced customer service to permittees. [Annual Accountability Report – Customer Focus III.3.5.]
- The agency’s coastal program is continuing to work with local governments in Jasper, Beaufort and Berkeley Counties on natural resource planning and management initiatives. Special Area Management Planning efforts are continuing in Murrells Inlet and the Cooper River Corridor area. Regulatory staff regularly interacts with the public as part of the permit review process for critical area, stormwater certification and federal consistency applications. [Annual Accountability Report – Customer Focus III.3.5.]
- The coastal program has updated its website, improving the availability of information on upcoming events, permit applications, regulatory requirements and coastal projects. [Annual Accountability Report – Customer Focus III.3.5.]

- The Bureau of Information Services has developed the CARES Billing and Accounts Receivable System (CBARS) which has improved the time it takes to receive Medicaid funds from 19 days to approximately five days, for some billings done through CBARS. DHEC bills Medicaid about 5,000 claims per month in CBARS with a total dollar amount of approximately \$285,000 per month. The increased timeliness in processing has resulted in more timely access to the billing dollars owed. [Annual Accountability Report - Process Management III.6.2.]
- Last year, South Carolina became the third state to receive certifying authority from the Food & Drug Administration (FDA) for mammography facilities, and recently became the first state to successfully pass an audit of its certifying program. Authority as a certifying body enhanced customer service by now requiring mammography facilities to comply with only one set of regulations and interface with only one regulatory body regarding operations at its facility. In addition, the certification process became less expensive for facilities, since fees charged by the agency are less than those assessed by the FDA.

F.

Summary of Capital Budget Priorities:			Additional State Funds	Previously Authorized State Funds	Total Other Fund Sources	Project Total
Priority No.:	<u>Project Name:</u> Activity Number & Name:	Project No*:	0	0	0	\$ 0
Priority No.:	<u>Project Name:</u> Activity Number & Name:	Project No*:	0	0	0	\$ 0
Priority No.:	<u>Project Name:</u> Activity Number & Name:	Project No*:	0	0	0	\$ 0
TOTAL OF ALL CAPITAL BUDGET PRIORITIES			\$ 0	\$ 0	\$ 0	\$ 0

G. Number of Proviso Changes: Five (5)

H. Signature/Agency Contacts/Telephone Numbers:

- C. Earl Hunter, Commissioner, (803) 898-3300

C. Earl Hunter, Commissioner

- Wanda C. Crotwell, Assistant to the Commissioner for External Affairs, (803) 898-3300
- Mary Fuhrman, Director, Bureau of Financial Management, (803) 898-3380

SC Department of Health and Environmental Control
2600 Bull Street
Columbia, SC 29201-1708

II. DETAILED JUSTIFICATION FOR FY 2007 – 08 OPERATING BUDGET PRIORITIES

A. Agency Section/Code/Name: 9/JO4/Department of Health and Environmental Control

Food Service Inspections & Dairy Product Testing

B. Priority No. 1 of 19

C. (1) Title: **Food Service Inspections & Dairy Product Testing**

(2) Summary Description: This request is for a total of **\$2,637,554**. This includes \$2,522,054 in recurring funds and \$115,500 in non-recurring funds for additional staffing needed to increase the number of inspections of retail foodservice facilities, and to enable the department to enhance and improve the training it provides to the foodservice workers throughout the state. This initiative will benefit South Carolina's dining public and the more than 17,000 permitted retail food establishments. These services are predominately provided by local (county and region) health department staff. Also needed is \$371,259 in recurring funds to cover the costs of laboratory testing of dairy products.

(3) Strategic Goal/Action Plan: This activity addresses the DHEC broad goal to: *Increase support to and involvement by communities in developing healthy and environmentally sound communities* and strategic goal to *Protect the public against food-, water- and vector-borne diseases* and is highlighted in the agency's 2005-2006 Annual Accountability Report on page 5 and in III.7.2.

Expected results for **Part A.** are that foodservice facilities are provided inspections, training, and other direct services at an adequate level. An increase in staffing will increase the total time given to providing direct services (inspections, training, etc.) to South Carolina food service facilities, further enhancing the protection of the public's health from food-borne diseases, and enabling South Carolina to move closer to the program goal of 8-10 hours of direct services per facility per year, consistent with recommendations by the U.S. Food & Drug Administration (FDA). Currently, the level of direct services provided to facilities is approximately 4 hours per facility per year, and the trend is downward because of increasing numbers of foodservice facilities and static numbers of food inspectors. Expected results for **Part B.** are that dairy testing will be done for over 6000 specimens annually with over 27,980 examinations. **The FDA requires that South Carolina provide this testing, though no federal or state funds are specifically allocated for this purpose.**

D. Budget Program Number and Name: II E 1 – Family Health: Infectious Disease Prevention

E. Agency Activity Number and Name: 966 - Infectious Disease Prevention – General Sanitation Program

F. Detailed Justification for Funding:

(1) Justification for Funding Increase:

Part A. The occurrence of food-borne disease is an ever-present threat and a periodic reality; however, by providing inspections and training that help operators identify and control food handling risk factors, we can better limit the number of outbreaks. The food service industry in South Carolina grows in excess of 2% each year; however, the number of trained food service inspectors has not kept pace with that growth, and there has been no significant increase in the number of inspectors for more than ten years.

The FDA Food Program Voluntary Standards recommend 8-10 hours of direct services (inspections and training) per year for each permitted facility. There are more than **17,000 permitted food establishments** in the state. Current staffing is not adequate to achieve a level of direct services consistent with recommendations of the FDA Food Program Voluntary Standards.

Additional funding to increase the number of inspectors will result in an increase in the direct services provided for foodservice facilities. Currently, the **state averages four hours per facility per year of direct services delivery**, which is less than half the FDA Food Program Voluntary Standards minimum. Having additional inspectors will enable the department to not only conduct more inspections, but also provide critical training aimed at preventing outbreaks of food-borne disease. .

There is no other regulatory retail food inspection program in South Carolina; the Department is the sole provider of this core public health function.

In addition to the negative health impacts of food-borne disease outbreaks, there are adverse economic impacts. Since tourism is the largest industry in South Carolina, and since retail foodservice is a major component of the tourism industry, food-borne disease outbreaks can and do have an economic impact that goes beyond specific facilities that are implicated in such outbreaks.

Existing food inspection funds come from two sources, inspection fees and state funding. In FY06 approximately \$1,440,000 was provided from state funding and \$1,800,000 came from inspection fees. These resources are insufficient to increase the number of inspections and critical trainings for the foodservice industry, and additional resources are needed to meet the needs and demands associated with the prevention of food-borne disease outbreaks.

Part B. Federal regulations require that all South Carolina milk and other dairy products be tested to ensure a safe milk supply. This request is to provide \$371,259 in funds to cover the costs of maintaining and providing laboratory testing of dairy products.

The health of the public cannot be adequately protected without routine laboratory testing of milk and dairy products, yet there are no federal or state funds specifically allocated for this purpose. In a typical year, more than 6,000 specimens are collected and over 27,980 laboratory examinations/tests are conducted to detect disease-causing organisms, toxins, chemicals, and other harmful substances. The department is requesting \$371,259 to pay for this critical testing that is required to protect the health and well-being of the public.

The Food Protection Division has the responsibility of inspecting the state's dairies, soft drink and water bottling facilities, dairy products processing plants and bulk milk haulers. This request will help to ensure that representative samples collected during these inspections will be properly and scientifically tested.

Food and dairy products that are safe to consume are imperative to maintain the health of the public. In addition, South Carolina dairy farmers cannot sell or process milk for out-of-state sale unless it is tested by a certified laboratory.

These services fulfill federal and state mandates, particularly those directly related to the assurance of safe food, dairy products and water. The legislative bases for these public health prevention activities requirements are found in R61-25 (Retail Food Establishments), R61-34.1 (Milk and Milk Products) and the FDA's Pasteurized Milk Ordinance.

There are no existing resources that can be used for this request. Because of continually increasing demand and steadily diminishing resources, the Bureau of Environmental Health has already eliminated or curtailed other public health services that are important yet carry lower priorities, and staff continues their efforts to keep up with the increasing demands in these higher priority areas. The state laboratory budget does not have the funds to pay these costs and all current resources have been exhausted.

(2)

FY 2007-08 Cost Estimates:	State Non-Recurring Funds	State Recurring Funds	Federal	Other	Total
Personnel:					
(a) Number of FTEs*		42.00			42.00
(b) Personal Service		\$ 1,250,182			1,250,182
(c) Employer Contributions		\$ 400,058			\$ 400,058
Program/Case Services	\$ 0	\$ 0			\$ 0
Pass-Through Funds	\$ 0	\$ 0			\$ 0
Other Operating Expenses	\$115,500	\$871,814			\$987,314
Total	\$115,500	\$ 2,522,054	\$ 0	\$ 0	\$2,637,554
<i>* If new FTEs are needed, please complete Section G (Detailed Justification for FTEs) below.</i>					

Other Operating Expenses: State non-recurring funds include equipment/supplies for 42 new employees, at \$2,750 per person (office furniture \$1,000, computer equipment \$1,500, office supplies \$250) for a total of \$115,500. State recurring funds include mileage reimbursement for 42 new employees. Due to state budget cuts and other reductions, funds do not exist to cover all the mileage reimbursement for existing inspectors. This request includes funds for that purpose as well. Each FTE will travel an average of 9,500 miles per year @\$.445 per mile requires \$4,228 per employee for a total of \$177,555. The existing staff do not have enough travel funds due to the increase of reimbursement for this year to \$.445 per mile. In order to cover the cost of existing employees, we need an additional

\$232,805 in travel funds. The other operating expenses category includes \$371,259 for lab fees for dairy testing. Additional administrative costs for these staff persons will come to \$90,195. The total operating needed comes to \$987,314 (\$115,500 of which is non-recurring).

(3) Base Appropriation:

State	\$12,053,353
Federal	\$50,248,209
Other	\$3,628,312

(4) Is this priority associated with a Capital Budget Priority? No If so, state Capital Budget Priority Number and Project Name:

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G. Detailed Justification for FTEs

(1) Justification for New FTEs

(a) Justification: The FDA Food Program Voluntary Standards recommend 8-10 hours of direct services (inspections, training, etc.) per facility per year. There are currently more than 17,000 retail food establishments in the state. The current staffing level is sufficient only to provide approximately 4 hours per facility per year. Current staffing does not allow for the level of direct services consistent with federal standards. Forty-one (41) FTEs are needed immediately to meet the existing needs. The Environmental Health Manager III will enable the agency to ensure correct implementation of new enforcement statutes enacted during the 2006 legislative session.

(b) Future Impact on Operating Expenses or Facility Requirements: If this request is fully funded, no currently known additional operating funds will be needed in the future.

(2) Position Details:

	State	Federal	Earmarked	Restricted	Total
Position Title: Environmental Health Manager I					
(a) Number of FTEs	41.00				41.00
(b) Personal Service	\$1,193,182				\$1,193,182
(c) Employer Contributions	\$381,818				\$ 381,818

	State	Federal	Earmarked	Restricted	Total
Position Title: Environmental Health Manager III					
(a) Number of FTEs	1.00				1.00
(b) Personal Service	\$ 57,000				\$57,000
(c) Employer Contributions	\$ 18,240				\$ 18,240

(3) FTEs in Program Area per FY 2006-07 Appropriation Act:

State 150.80
Federal 105.45
Other 56.14

Agency-wide Vacant FTEs as of July 31, 2006: 777.70 % Vacant 15.8%

- H. Other Comments: Each year, food-borne disease outbreaks emphasize the need for additional inspections, trainings, and other interventions aimed at protecting the health and well-being of the public, and to help protect economic investment and interests in the state, particularly those associated with tourism. Even after prioritizing its activities and services, the department is unable to provide an adequate level of services designed to reduce the occurrence of food-borne disease outbreaks, and additional resources are requested to help meet increasing demands and needs; without these resources, the trend for now and in the future will continue downward.

Improve Water Quality

B. Priority No. 2 of 19

C. (1) Title: **Improve Water Quality**

(2) Summary Description: This request is for a total of **\$3,970,134** which includes \$3,470,134 in recurring and \$500,000 in non-recurring funds. One of the agency's goals is to improve water quality and restore impaired waters statewide to meet their designated uses. The Total Maximum Daily Load (TMDL) program allows the State to develop pollution reduction strategies for each impaired water body so that the state's water quality standards will be met in all waters. An increased monitoring presence is also needed to ensure that adequate Best Management Practices (BMP's) are in place to prevent surface and ground waters from being contaminated by pollutant runoff and to measure effectiveness of pollution reduction strategies.

(3) Strategic Goal/Action Plan (*if applicable*): This request is supported by the agency's broad goal to: *Protect, enhance and sustain environmental and coastal resources* and is highlighted in the agency's 2005-2006 Annual Accountability Report on page 5 and in III.7.2.

D. Budget Program Number and Name: II A 2 – Water Quality Improvement – Water Management

E. Agency Activity Number and Name: 952 – Water Management – Water Pollution Control Program

F. Detailed Justification for Funding:

(1) Justification for Funding Increase: Funding for this program is needed to meet the agency's broad goal of: *Protect, enhance and sustain environmental and coastal resources*. Implementation of the TMDL program will require evaluation of competing pollution sources resulting in load and wasteload allocations. For simple systems, this can be accomplished with traditional water quality models. For more complex systems such as tidal waters, the TMDL development may require a more rigorous watershed investigation and use of multi-parameter models. Approximately eighty percent of the state's impaired waters are impaired due to non-point source pollution. The implementation of TMDLs for ultimate allocation and minimization of pollutant loads will ensure that all waters in the state will meet appropriate water quality standards and will fully support classified uses. This request is necessary for the department to achieve its goal of having 80% of all waters meeting fishable/swimmable standards by 2007.

The existing base budget is used to establish water quality standards for the waters of the state, to classify each water body, to review storm water management plans for construction and industrial sites, and to monitor water quality to assure that each body is meeting its intended use. These funds are used to develop wasteload allocations and to develop discharge permits that are protective of water quality. These funds are also used to inspect wastewater treatment plants, to monitor the use of BMP's, to monitor the quality of the effluent from the facilities, and to enforce compliance with permit and other operating requirements. Non-point sources such as urban storm water, commercial and agricultural activities, in addition to point source discharges, can adversely affect water quality. The requested additional funds will be used to address water bodies that are not meeting the water quality standards for their intended use, establish a plan to clean up these impaired waters, and to reduce pollutant loading from non-point sources.

DHEC is charged through the S. C. Pollution Control Act (48-1-10 et. Seq.) and Regulations R.61-68 (Water Classifications and Standards) and R.61-69 (Classified Waters) to regulate the state's water quality and protect human health and aquatic flora and fauna. Section 303(d) of the Federal Clean Water Act requires DHEC to identify waters that do not meet applicable state water quality standards with technology-based controls alone. DHEC must develop and implement TMDLs for these waters to achieve applicable standards. **Until a TMDL is developed, additional pollutant loading to that water body would not be allowed, which could limit industrial and domestic development in its vicinity.** The list of impaired waters has been developed, but there has not been adequate funding to develop TMDLs for all waters on the list. There are more than 300 waterbodies requiring over 900 TMDLs that need to be completed within thirteen years of being listed. While DHEC has an effective inspection and monitoring program to ensure wastewater facilities comply with their permits, monitoring of pollutant runoff and the use of Best Management Practices at construction sites is very limited.

In order for DHEC to complete all of the required TMDLs by 2011, about ninety would have to be completed per year. During the past six years, approximately 300 have been completed primarily using diminishing federal funds. TMDLs must consider inputs from all sources into impaired waters including treatment plants, diffuse runoff, and atmospheric deposition. Development of a TMDL may require additional water quality monitoring, complex computer modeling, and a good geographic information system for graphically depicting the watersheds, land uses, and pollution sources. Additional staff is needed to perform monitoring and assessment functions, laboratory analyses, run and analyze water quality models, and for GIS support.

Limited federal funding is used for TMDL development. However it is apparent that all TMDLs cannot be developed by the expected deadline unless the pace is increased considerably. The majority of existing resources are already over extended to maintain the current level of wasteload allocation determinations for permitting activities. Much of the TMDL work completed to date was accomplished using federal funds that are being decreased. This request is necessary for the agency to adequately carry out its responsibilities in protecting the classified uses of the state's waters. Existing resources are also over extended to maintain the current level of inspection and enforcement activity and to adequately carry out its responsibilities under Section 48-1-10 et. Seq., R.61-9, R.61-68, and R.72-300.

State funds provide one FTE for stream modeling and 20% of an FTE for watershed management and planning. State funds also provide for 1 FTE for permit issuance and 2 FTEs for compliance inspections in the stormwater program. Federal funds provide an additional 8 FTEs for both modeling and watershed management and 1 FTE for permit issuance. Fees generate approximately \$520,000 annually which funds an additional 6 FTEs used both for permit issuance and compliance inspections. All of these positions have full work loads generating wasteloads for developing permit limits, generating watershed reports, reviewing monitoring data, and other functions. Only one new federally funded position has been added since the TMDL workload came about. No other resources are available for this program. Without these funds, it will not be possible to complete the TMDLs in a timely manner. It will therefore be difficult to clean up many of the state's waters. Impaired waters adversely impact the state's economy through limited commercial, industrial and recreational use of these waters.

DHEC issues some 1300 sediment and erosion control permits annually for construction sites one acre and larger. All residential and commercial development creates some type of land disturbing activity, which if uncontrolled, can pollute the waters of the state. DHEC issues more than 200 permits annually for new or expanding agricultural facilities. If not properly managed, these facilities can also pollute the state's waters. Many of the waters on the state's impaired waters list have no point source discharges, which indicates that the source of impairment is from non-point sources such as storm water runoff. A high percentage of the sites inspected result in violations being identified. A greater field presence is necessary to have a meaningful program and protect water quality around these sites.

(2)

FY 2007-08 Cost Estimates:	State Non-Recurring Funds	State Recurring Funds	Federal	Other	Total
Personnel:					
(a) Number of FTEs*		42.00			42.00
(b) Salary		\$1,675,501			\$1,675,501
(c) Fringe Benefits		\$536,161			\$536,161
Program/Case Services					\$ 0
Pass-Through Funds					\$ 0
Other Operating Expenses	\$500,000	\$1,258,472			\$1,258,472
Total	\$ 500,000	\$3,470,134	\$ 0	\$ 0	\$3,970,134
<i>* If new FTEs are needed, please complete Section F (Detailed Justification for FTEs) below.</i>					

(3) Base Appropriation:

State	\$9,465,774
Federal	\$13,961,870
Other	\$12,147,470

(4) Is this priority associated with a Capital Budget Priority? No If so, state Capital Budget Priority Number and Project Name: _____.

G. Detailed Justification for FTEs

(1) Justification for New FTEs

(a) Justification: To accomplish this task, a total of 42 new positions are needed. Six positions would be environmental managers with water quality modeling expertise to develop, run and calibrate new water quality models for TMDL development. Nine positions would be water quality specialists such as aquatic biologists, toxicologists, and groundwater specialists to support the TMDL program with data collection and TMDL implementation. Eight positions would be environmental managers assigned to DHEC's Regional Offices for inspection and sample collection activities. Three positions would be chemists to perform water quality analyses in support of the TMDL program. Eight engineer associate positions would be located in DHEC's Environmental

Regional Offices to conduct routine stormwater inspections and follow-up visits as necessary. They would also conduct industrial and municipal stormwater inspections to verify that stormwater pollution prevention plans are being adhered to and reflect current conditions. Two permit engineers would be added to the Bureau of Water to review and issue the 70 Municipal Separate Storm Sewer (MS4) NPDES permits that will be required under Phase II of the delegated NPDES stormwater program. A data coordinator and GIS analyst would be added to enter and track monitoring data and inspections and to produce GIS to support TMDL development. One environmental health manager position would be added to the Bureau of Water to audit local MS4 programs for permit compliance. Two environmental health managers would handle enforcement referrals from inspections, hold enforcement conferences and issue orders. One hydrogeologist would be needed to assess groundwater impacts.

(b) Future Impact on Operating Expenses or Facility Requirements: If this request is fully funded, no currently known additional operating funds will be needed in the future.

(2) Position Details:

	State	Federal	Earmarked	Restricted	Total
Position Title: Environmental Engineer Associate II					
(a) Number of FTEs	4.00				4.00
(b) Salary	\$178,791				\$178,791
(c) Fringe Benefits	\$57,213				\$57,213

	State	Federal	Earmarked	Restricted	Total
Position Title: Environmental Engineer Associate I					
(a) Number of FTEs	6.00				6.00
(b) Salary	\$247,897				\$247,897
(c) Fringe Benefits	\$79,327				\$79,327

	State	Federal	Earmarked	Restricted	Total
Position Title: Geologist/Hydrogeologist I					
(a) Number of FTEs	1.00				1.00
(b) Salary	\$38,200				\$38,200
(c) Fringe Benefits	\$12,224				\$12,224

	State	Federal	Earmarked	Restricted	Total
Position Title: Environmental Health Manager III					
(a) Number of FTEs	1.00				1.00
(b) Salary	\$52,294				\$ 52,294
(c) Fringe Benefits	\$16,734				\$16,734

	State	Federal	Earmarked	Restricted	Total
Position Title: Environmental Health Manager II					
(a) Number of FTEs	11.00				11.00
(b) Salary	\$472,766				\$472,766
(c) Fringe Benefits	\$151,285				\$151,285

	State	Federal	Earmarked	Restricted	Total
Position Title: Environmental Health Manager I					
(a) Number of FTEs	14.00				14.00
(b) Salary	\$494,462				\$494,462
(c) Fringe Benefits	\$158,228				\$158,228

	State	Federal	Earmarked	Restricted	Total
Position Title: Chemist II					
(a) Number of FTEs	3.00				3.00
(b) Salary	\$128,936				\$ 128,936
(c) Fringe Benefits	\$41,260				\$41,260

	State	Federal	Earmarked	Restricted	Total
Position Title: GIS Analyst					
(a) Number of FTEs	1.00				1.00
(b) Salary	\$35,319				\$ 35,319
(c) Fringe Benefits	\$11,302				\$11,302

	State	Federal	Earmarked	Restricted	Total
Position Title: Data Coordinator I					
(a) Number of FTEs	1.00				1.00
(b) Salary	\$26,836				\$26,836
(c) Fringe Benefits	\$8,588				\$8,588

(3) FTEs in Program Area per FY 2005-06 Appropriation Act:

State	171.34
Federal	109.70
Other	159.98

Agency-wide Vacant FTEs as of July 31, 2005: 777.70 % Vacant 15.8%

H. Other Comments:

Infectious Disease Prevention

B. Priority No. 3 of 19

C. (1) Title: **Infectious Disease Prevention (Tuberculosis and Sexually Transmitted Diseases)**

(2) Summary Description: This request is for a total of **\$5,379,519** in funding and includes \$5,349,519 in recurring funds and \$30,000 in non-recurring funds to support testing, diagnosis, and treatment of Tuberculosis (TB) and sexually transmitted diseases (STD/HIV). The agency has not received an increase in state funding for these services in over 22 years.

Local, state and federal funds combine to support tuberculosis control and sexually transmitted diseases in South Carolina, but budget cuts in all three funding sources have affected DHEC's ability to meet its mandate to provide and/or assure treatment, prevention and control services and activities. There has not been an increase in state funding for these services in over 22 years. Increased funds are needed to support:

- TB medications and skin testing antigen to treat and diagnose TB disease and latent TB infection;
- X-ray services to help diagnose the presence or absence of TB disease and monitor patient response to treatment;
- Visits to provide directly observed therapy (DOT); DOT is the best practice and the only way to ensure that TB drugs are taken as prescribed to effect a cure;
- Travel funds for county health department staff providing contact investigations, follow up of non-compliant patients, home visits for appropriate case management services, provision of DOT and travel to provide training, onsite consultation and direct support;
- Staff to provide professional clinical and medical expertise (physician and public health nursing) for TB diagnosis, treatment, prevention, control and quality assurance necessary to carry out DHEC's mandated TB control effort;
- Inpatient and outpatient diagnostic and treatment services for suspects, cases and infected individuals to protect the public;
- STD laboratory and treatment services;

- Staff for primary prevention counseling for persons at risk for HIV and linkage of newly diagnosed persons into care and services; and
- Staff for STD/HIV contact investigations in regions with the greatest number of cases.

(3) Strategic Goal/Action Plan (*if applicable*): These activities support DHEC's broad goals to: *Increase support to and involvement by communities in developing healthy and environmentally sound communities; Improve the quality and years of health for all; and Eliminate health disparities* and include the following outcomes: *Increase the percent of patients with newly diagnosed tuberculosis, who complete therapy within 12 months. Increase the proportion of minority HIV infected and high-risk persons receiving appropriate prevention, referral and care/treatment services.* This request is highlighted in the agency's 2005-2006 Annual Accountability Report in section III.7.2 and on page 8.

- D. Budget Program Number and Name: II E 1 – Family Health: Infectious Disease Prevention – Surveillance, Investigation and Control
- E. Agency Activity Number and Name: 967 – Infectious Disease Prevention – Surveillance, Investigation and Control Program
- F. Detailed Justification for Funding:

Part 1: TB Prevention & Control

(1) Justification for Funding Increase: (a) DHEC is responsible for all matters related to the prevention and control of tuberculosis (TB) in South Carolina. (Authority SC Code, Title 44 – Health, Chapter 31, Tuberculosis: SC Code of Regulations 61-20, 61-22). TB is a communicable disease that is transmitted from person to person through the air. The agency, through its central office, region and county health department TB programs, provides direct diagnostic, treatment, prevention and related support services to 98-99% of the individuals who have or are suspected of having TB disease or latent TB infection, and serves as the primary source for expert consultation and professional training and education. State, region and county TB staff provide/assure services according to current standards set by national authorities, including the CDC, the American Thoracic Society and the Infectious Diseases Society of America. **South Carolina was one of 29 states reporting more cases in 2005 than in 2004, and was one of the top five states** (Ohio, Illinois, South Carolina, Virginia and Florida) **reporting the highest increase in cases:** 261 new TB cases for a case rate of 6.1/per 100,000 population, a 12% increase in the number of cases and a 9% increase in case rate. The case rate of 6.1 represents the **6th highest case rate in the nation** (in descending order: Arkansas, Hawaii, California, Texas, New York, Florida/South Carolina), up from 8th in 2004, continuing South Carolina's presence among the top ten states every year. In 2005, 82% of the new cases had pulmonary disease and were capable of transmitting infection to others. In general, 1,800-2,000 individuals are identified as close contacts (high priority) to new cases each year, and must be tested to determine if they have acquired latent TB infection or TB disease (2%-3% of whom are found to have TB disease). Approximately 30,000-35,000 individuals, other than contacts, are screened in DHEC clinics for TB infection. In addition, The TB Central Case Register estimates that county and region TB nurses and clinicians evaluate an additional 500 suspects whose disease is caused by one of the Nontuberculous Mycobacteria or some other disease process.

Local, state and federal funds supporting TB services and activities in South Carolina at the state, region and county levels have been reduced. If not addressed, this reduction in funding will result in a significant loss of TB clinical staff across the state, as well as insufficient funding for TB drugs and inpatient and outpatient diagnostic and treatment services necessary for protecting the public and successfully treating the individual.

(b) A funding increase is needed to restore base funding, support increased costs, and to prevent the TB control infrastructure from failing at every level. DHEC's ability to provide and/or assure treatment, prevention and control services and activities has a direct impact on treatment completion rates, contact investigation performance, evaluation and treatment rates for high risk infected individuals, and addressing TB incidence in high risk populations such as African Americans and the foreign-born.

(c) DHEC serves as a primary source of expert medical consultation and training for other public and private entities that provide TB services to patients, clients, employees and others in their respective settings.

(d) The program receives state funds through the Infectious Disease Prevention appropriation and federal Cooperative Agreement funds from the Public Health Service Act through the Centers for Disease Control.

(e) All current resources are committed and there are no alternative or additional sources of funding within the Agency or from the federal funding source.

In order to meet the needs for TB we are requesting \$1,161,169 in recurring operating funds. This includes the following operating:

- Clinic supplies: \$44,122;
- Case services: \$774,420, includes \$42,729 for x-rays, \$32,793 for contract staff to read the x-rays, \$335,274 for TB medications, \$121,665 for TB DOT contracts, \$4,500 for halfway house drug treatment, \$95,218 for inpatient and outpatient treatment and diagnostic services, \$27,173 for patient interim housing, \$36,398 for the state TB medical consultant, and \$78,670 for hourly TB medical clinicians;
- Travel of \$134,914 which consists of 7,400 miles driven by 40.97 staff members @ \$.445 per mile;
- Contractual: County health department operating costs of \$37,825;
- Fixed charges: Utilities and other costs of \$20,647; and
- Additional administrative and support costs for the additional staff come to \$149,241.

Part 2. STD/HIV – “Get Tested Initiative”

Justification for Funding Increase: (a) Funding will be used to pay for clinical services to diagnose and treat persons with sexually transmitted diseases (STDs). Prevention and treatment of STDs is also a key HIV prevention strategy. Early detection of HIV infection and linkage to care and on-going prevention services is a primary goal to address the HIV epidemic in South Carolina. Measures of accountability will include proportion of persons diagnosed with Chlamydia or gonorrhea who are treated within 30 days;

Chlamydia/gonorrhea prevalence rates among persons screened at DHEC sites; number of persons receiving same-day STD services; number and proportion of total persons tested for HIV who are newly diagnosed, number/proportion of persons diagnosed with HIV who do

not develop AIDS within one year of diagnosis (a measure of early detection), number of sex partners who are notified by DHEC staff who are tested for HIV, and number of newly diagnosed persons with HIV who are linked to HIV care services.

(b) Numerous studies have demonstrated the cost effectiveness of STD/HIV prevention services in the U.S. and globally. Services include counseling and testing, partner notification, individual counseling and group interventions. Depending on the type of intervention, prevention costs may range from \$40 per person to \$300. However, DHEC does not have sufficient capacity to fully implement these effective interventions. While the number of new HIV infections continues to decrease (773 in 2005 vs. 872 in 2004), there is a concern that the agency is not reaching those at highest risk. Five additional DIS staff are needed to expand case finding opportunities using social networks and assisting with testing in community venues. Ten nurses are needed to ensure access to STD diagnosis and HIV testing for persons requesting these services. For example, the number of persons receiving HIV testing only services has dropped in county health departments from 4,584 in 2004 to 4,047 in 2005, and several high prevalence areas (e.g. Florence, Orangeburg and Horry) do not offer rapid testing. Region 6 currently has only 1.4 FTEs of nursing staff funded on STD funds and expects a FY07 deficit of about \$60,000.

Linking HIV infected persons into on-going care services is also a key prevention strategy. Once HIV infected persons are in care, they are more likely to engage in other services (mental health, drug treatment, etc) and to adhere to HIV medications, all of which may result in decreased spread of HIV. Staff best trained to provide these counseling and case management services are social workers or health educators; five of these staff are requested.

Total laboratory test costs for STD and HIV screening have increased 11% from FY02 to FY06 (\$1,564,455 to \$1,744,125 respectively). The increases are primarily for infertility prevention screening (Chlamydia and gonorrhea), where testing costs increased from \$744,984 in FY02 to \$915,994 FY06. Routine testing of sexually active women under 25 years is the standard of care/recommendation by CDC. Targeting screening for males and young women in community settings in areas with high prevalence is recommended by CDC to further prevent new cases and/or re-infection rates.

In FY08, DHEC estimates facing a \$300,000 deficit in STD lab screening costs. \$309,168 is requested for infertility prevention testing to address estimated lab testing shortfalls and pay for an additional 873 tests to include women seeking pregnancy testing in DHEC clinics based on a 12% positivity rate in a 2005 prevalence study. An additional \$5,000 is requested for medication for an estimated 526 new persons diagnosed with Chlamydia and/or gonorrhea ($526 \times \$9.50 = \$5,000$).

(c) The STD/HIV program complements HIV early intervention services conducted by Department of Alcohol and Other Drug Abuse services and provides training and technical assistance for local DAODAS staff to provide HIV testing. The program also works with Department of Corrections to provide discharge planning of HIV infected inmates and to conduct group level HIV prevention interventions through the program's contracted community organization (Palmetto AIDS Life Support Services).

(d) South Carolina consistently ranks among the top ten states for highest rates of sexually transmitted diseases and AIDS case rates. Over \$73 million was spent in 2004 in South Carolina for HIV medical care in public funds alone. Medicaid expenditures for HIV grew from \$10 million in 1992 to over \$52 million in 2004. Blacks are nine times more likely to be impacted with HIV disease and ten times more likely to be impacted by syphilis than white persons. Unlike other major diseases, HIV mostly impacts young adults ages 18 – 44 years, who are in

their most productive working years. Many STDs have no symptoms, and thousands of South Carolinians don't know they are infected. Untreated STDs can spread quickly and cause serious health problems, including chronic pain, cancer and infertility. An estimated one in five people has an STD; two-thirds are under the age of 25.

(e) DHEC receives federal funds to support HIV and STD services from the Centers for Disease Control, however SC has received cuts the past three years in CDC HIV and STD cooperative agreements for surveillance, partner notification and HIV prevention services. This year's cuts forced loss of staff and reduced services delivered by local health departments and community organizations. STD federal funds do not pay for clinical staff as CDC expects state and local authorities to fund these services. State laws (Section 44-1-20 through 280, Contagious and Infectious Diseases, Section 44-29-10 through 250, and Regulations – Chapter 61) require DHEC to examine and treat persons for STDs at public expense, and to provide partner notification and counseling interventions.

(2)

FY 2007-08 Cost Estimates:	State Non-Recurring Funds	State Recurring Funds	Federal	Other	Total
Personnel:					
(a) Number of FTEs*		63.717			63.717
(b) Personal Service		\$2,822,609			\$ 2,822,609
(c) Employer Contributions		\$903,235			\$ 903,235
Program/Case Services		\$1,088,588			\$ 1,088,588
Pass-Through Funds					\$ 0
Other Operating Expenses	\$30,000	\$535,087			\$ 565,087
Total	\$30,000	\$5,349,519	\$ 0	\$ 0	\$ 5,379,519
<i>* If new FTEs are needed, please complete Section G (Detailed Justification for FTEs) below.</i>					

(3) Base Appropriation:

State	\$12,053,353
Federal	\$50,248,209
Other	\$3,628,312

(4) Is this priority associated with a Capital Budget Priority? No If yes, state Capital Budget Priority Number and Project Name: _____.

G. Detailed Justification for FTEs

(1) Justification for New FTEs

Part 1 TB Prevention & Control

Justification: State, local and federal funds supporting TB services have been cut or lost, resulting in loss of staff necessary to diagnose and treat TB; cost of living increases for state funded position have not been met by equal increases in federal funding. The costs to provide TB services have increased despite no new funds. TB is an airborne infectious disease; and TB treatment, prevention and control services cannot be shut down when base appropriations have been expended. In the past, alternative funding sources at the state and region level were identified to meet the shortfalls. These funds are no longer available. If increased funding is not received, the TB infrastructure in South Carolina will be severely affected. Continuing loss of personnel will require even more limits on the services DHEC can provide. Providers in other public and private health care settings are not prepared to take up what DHEC can no longer do.

The Program Manager I is the Division Director and serves as the State TB Controller; directs the professional and programmatic staff in the development of policies and procedures consistent with current TB treatment, prevention and control standards; provides/assures appropriate consultation and training services to all health care sectors according to their requirements and needs.

The Nurse Administrator/Manager is the Nurse Consultant for Infection Control and TB in Congregate Settings.

The Administrative Specialist II is one of two Tuberculosis Central Case Register staff receiving and processing demographic, clinical and other pertinent information about TB cases and suspects in order to maintain a central repository of TB case information; additional responsibilities include inter-state communications and notifications.

The Registered Nurse II FTEs will serve as TB nurses in the county health departments providing direct treatment prevention and control services.

The Administrative Assistant provides administrative and clerical support for treatment, prevention, control and reporting activities.

The Medical Assistant Tech I provides Direct Observed Therapy visits across multiple county health departments.

Part 2 – STD/HIV:

(a) STD/HIV Registered Nurses: Ten nurses are requested to replace lost nursing positions and increase access to clinical examination, diagnosis and treatment of STDs, and HIV rapid testing in high prevalence counties.

STD/HIV Disease Investigation Staff (Human Services Specialist III): Five DIS staff are needed to replace lost positions for six disease intervention specialist staff in regions with highest HIV and syphilis incidence to provide partner counseling and referral services.

Social Workers or Health Educators: Two social work positions and three health educators for HIV services have been lost in past two years. Five social workers are requested to provide HIV testing, case management and linkage to care interventions for newly diagnosed persons with HIV. Staff are requested for areas of highest HIV incidence.

(b) Future Impact on Operating Expenses or Facility Requirements: If this request is fully funded, no currently known additional operating funds will be needed in the future.

(2) Position Details:

	State	Federal	Earmarked	Restricted	Total
Position Title: Registered Nurse II					
(a) Number of FTEs	50.87				50.87
(b) Personal Service	\$2,340,020				\$ 2,340,020
(c) Employer Contributions	\$748,806				\$748,806

	State	Federal	Earmarked	Restricted	Total
Position Title: Human Services Coordinator I					
(a) Number of FTEs	5.00				5.00
(b) Personal Service	\$165,000				\$165,000
(c) Employer Contributions	\$52,800				\$52,800

	State	Federal	Earmarked	Restricted	Total
Position Title: Social Worker III					
(a) Number of FTEs	5.00				5.00
(b) Personal Service	\$210,000				\$ 210,000
(c) Employer Contributions	\$67,200				\$ 67,200

	State	Federal	Earmarked	Restricted	Total
Position Title: Program Manager I					
(a) Number of FTEs	0.22				0.22
(b) Personal Service	\$14,337				\$ 14,337
(c) Employer Contributions	\$4,588				\$ 4,588

	State	Federal	Earmarked	Restricted	Total
Position Title: Nurse Administrator/Manager (Nurse Consultant)					
(a) Number of FTEs	1.00				1.00
(b) Personal Service	\$60,000				\$ 60,000
(c) Employer Contributions	\$19,200				\$ 19,200

	State	Federal	Earmarked	Restricted	Total
Position Title: Administrative Specialist II					
(a) Number of FTEs	0.176				0.176
(b) Personal Service	\$5,315				\$ 5,315
(c) Employer Contributions	\$1,701				\$ 1,701

	State	Federal	Earmarked	Restricted	Total
Position Title: Medical Asst. Tech I					
(a) Number of FTEs	0.50				0.50
(b) Personal Service	\$8,838				\$ 8,838
(c) Employer Contributions	\$2,828				\$ 2,828
	State	Federal	Earmarked	Restricted	Total
Position Title: Administrative Assistant					
(a) Number of FTEs	0.951				0.951
(b) Personal Service	\$19,099				\$ 19,099
(c) Employer Contributions	\$6,112				\$ 6,112

(3) FTEs in Program Area per FY 2006-07 Appropriation Act:

State 150.80

Federal 105.45

Other 56.14

Agency-wide Vacant FTEs as of July 31, 2006: 777.70 % Vacant 15.8%

H. Other Comments:

Health Facilities & Licensing

B. Priority No. 4 of 19

C. (1) Title: Health Facilities & Licensing

(2) Summary Description: This request is for a recurring appropriation of **\$300,000**. This funding will be used to improve operations within the Health Licensing and Health Facilities and Services Development programs through increased staffing. These programs are responsible for ensuring that individuals receiving care and services from licensed health care facilities are provided appropriate care and services in a manner and an environment that promotes their health, safety and well being. In order to improve the quality of care and services at health care facilities, it is important that the division appropriately **follow up on complaints** received to ensure that oversight of health facilities is done in a quality manner and that incidents and accidents at health care facilities are adequately investigated. Increased funding in the Health Facilities program will allow staff to conduct more thorough health care facility application reviews and **complete application reviews within specified time frames**.

(3) Strategic Goal/Action Plan (*if applicable*): This budget request item is vital to achieving DHEC's broad goals to: *Increase support to and involvement by communities in developing healthy and environmentally sound communities; Improve the quality and years of healthy life for all; and Eliminate health disparities.*

D. Budget Program Number and Name: II F 2 - Health Care Standards: Facilities and Service Development, II F 3 – Health Care Standards: Licensing

E. Agency Activity Number and Name: 990 - Health Facilities Licensing, 989 - Health Facilities and Services Development

F. Detailed Justification for Funding:

(1) Justification for Funding Increase: This funding will be used to improve operations within the Health Licensing and Health Facilities and Services Development programs through increased staffing.

The Health Licensing program is responsible for ensuring that individuals receiving care and services from licensed health care facilities are provided appropriate care and services in a manner and an environment that promotes their health, safety and well being. In order to improve the quality of care and services at health care facilities, it is important that: the division appropriately **follow-up on complaints** received; ensure that oversight of health facilities is done a quality manner; and ensure that incidents and accidents at health care facilities are adequately investigated. The division is also charged with ensuring that health care facilities comply with emergency orders relating to **emergency preparedness**. With the number of health care facilities located in the coastal area of South Carolina and therefore susceptible to hurricanes, it is imperative that the division **ensures all facilities have adequate plans and are prepared to deal with emergency situations**.

The purpose of the Health Facilities and Services Development program is to promote cost containment, prevent unnecessary duplication of health care facilities and services, guide the establishment of health facilities and services that will best serve public needs, and ensure that high quality services are provided in health facilities in South Carolina. Over the last two years, the number of Certificate of Need applications submitted to the department has substantially increased. Many of the applications are controversial and/or competing, which greatly increases the amount of staff time involved in the decision. Agency staff is spending increasingly more time in preparation for litigation between competing entities. This funding will allow establishment of an additional reviewer, which will allow staff to conduct more thorough application reviews and **complete application reviews within specified time frames**.

(2)

FY 2007-08 Cost Estimates:	State Non-Recurring Funds	State Recurring Funds	Federal	Other	Total
Personnel:					
(a) Number of FTEs*		4.00			4.00
(b) Personal Service		\$140,784			\$140,784
(c) Employer Contributions		\$45,050			\$45,050
Program/Case Services					\$ 0
Pass-Through Funds					\$ 0
Other Operating Expenses		\$114,166			\$114,166

Total	\$ 0	\$300,000	\$ 0	\$ 0	\$300,000
<i>* If new FTEs are needed, please complete Section G (Detailed Justification for FTEs) below.</i>					

(3) Base Appropriation:

State	\$1,966,630
Federal	\$79,124
Other	\$919,771

(4) Is this priority associated with a Capital Budget Priority? No If yes, state Capital Budget Priority Number and Project Name: _____.

G. Detailed Justification for FTEs

(1) Justification for New FTEs

(a) Justification: New FTEs will be 100% funded from this appropriation. The agency has a responsibility to ensure a basic level of quality care and services within South Carolina health care facilities. As the numbers of health care facilities increase as the population ages, it becomes more and more difficult for the department to ensure that basic level of quality and to complete reviews of health care facilities in a timely manner with current staff.

(b) Future Impact on Operating Expenses or Facility Requirements: Operating expenses have been included in recurring costs. No additional facility or space requirements are anticipated.

(2) Position Details:

	State	Federal	Earmarked	Restricted	Total
Position Title: Program Coordinator II					
(a) Number of FTEs	2.00				2.00
(b) Personal Service	\$79,670				\$79,670
(c) Employer Contributions	\$25,494				\$25,494

	State	Federal	Earmarked	Restricted	Total
Position Title: Inspector III					
(a) Number of FTEs	2.00				2.00
(b) Personal Service	\$61,114				\$61,114
(c) Employer Contributions	\$19,556				\$19,556

(3) FTEs in Program Area per FY 2006-07 Appropriation Act:

State	43.99
Federal	1.54
Other	9.86

Agency-wide Vacant FTEs as of July 31, 2006: 777.70 % Vacant 15.8%

H. Other Comments:

Infant Mortality Reduction

B. Priority No. 5 of 19

C. (1) Title: **Infant Mortality Reduction**

(2) Summary Description: The total of this request is for **\$1,136,160**. This includes \$1,096,160 in recurring funds and \$40,000 in non-recurring funds to provide post partum newborn home visits (PPNBHV). These visits have been proven to help keep high risk babies alive through their first year of life. Unfortunately, the percentage of women and newborns in the population covered by Medicaid, who receive a postpartum newborn home visit has gradually been decreasing for several years, in part because of a decreasing number of public health nurses available to provide the visits. The **state goal is to provide at least 90% of eligible families with a home visit**, either through DHEC or other providers, but the most recent data available indicate that **visits were provided to only about 40% of families** (2004) and preliminary data indicate that percentage is falling even further as DHEC loses nursing staff. Funding is needed to hire, train and retain additional registered nurses to provide PPNBHV to all families with Medicaid coverage who desire a visit.

(3) Strategic Goal/Action Plan (*if applicable*): This request supports the agency's broad goals to: *Improve the quality and years of healthy life for all* and *Eliminate health disparities* and is highlighted in the agency's 2005-2006 Annual Accountability Report in Section III.7.2.

D. Budget Program Number and Name: II E 2 – Family Health: Maternal and Infant Health

E. Agency Activity Number and Name: 970 – Maternal and Infant Health

F. Detailed Justification for Funding:

(1) Justification for Funding Increase: The post partum newborn home visit was established in 1990 as a partnership effort between the Department of Health and Human Services and the Department of Health and Environmental Control. This visit was designed to have a well-trained registered nurse to provide an in-home assessment of the mother/baby and family in their home environment. A physical exam of the baby and a limited exam of the mother are done. In addition, the physical environment is assessed for safety issues conducive to healthy development. Homes are assessed for smoke alarms, second hand smoke exposure, etc. Maternal-infant bonding and family resources are assessed to determine need for additional referrals and resources. Education and referral are targeted to any concerns identified. A critical component of the visit is to link the mother into post delivery care and family planning services, and the baby into a medical home where well and sick care can be provided and immunizations and developmental issues provided or addressed on the appropriate periodicity schedule.

After four years, the visit was evaluated and found to have a 28% protective effect on post neonatal mortality in certain high-risk groups. In 1998, out of 26,631 Medicaid sponsored births, 51 % received a visit provided by DHEC with and 1% received a visit provided by other providers. In that same year, 48% of the Medicaid infants and their mothers did not receive a visit at all. In 2004, out of 28,232 Medicaid sponsored births, 39% received a visit by DHEC and fewer than 1% received a visit by a non-DHEC provider, with 61% of the Medicaid sponsored families receiving no visit at all. Because this visit has had a positive effect on post-neonatal mortality and because mothers and babies are more likely to be successfully linked into post delivery care, DHEC has made expansion of this visit a priority. In order to increase the number of staff to make these visits (estimated 25,000 visits needed per year) more available, additional nurses are needed. With additional nurses, local health departments will be able to work more closely with the delivering hospitals and the regional perinatal centers to improve the referral processes and to improve collaboration within the community to address gaps in services and ways to improve capacity such that 100% of these new families can be visited and linked into ongoing medical care.

(2)

FY 2007-08 Cost Estimates:	State Non-Recurring Funds	State Recurring Funds	Federal	Other	Total
Personnel:					
(a) Number of FTEs*		16.00			16.00
(b) Personal Service		\$736,000			\$ 736,000
(c) Employer Contributions		\$235,520			\$ 235,520
Program/Case Services					\$ 0
Pass-Through Funds					\$ 0
Other Operating Expenses	\$40,000	\$124,640			\$ 164,640

Total	\$ 40,000	\$ 1,096,160	\$ 0	\$ 0	\$ 1,136,160
<i>* If new FTEs are needed, please complete Section G (Detailed Justification for FTEs) below.</i>					

(3) Base Appropriation:

State	\$3,721,895
Federal	\$105,972,097
Other	\$16,931,367

(4) Is this priority associated with a Capital Budget Priority? No If yes, state Capital Budget Priority Number and Project Name: _____.

G. Justification:

(1) (a) To adequately cover the estimated 25,000 visits a year the agency would need 16 RNs to make four visits a day in order to make approximately 960 visits a year. The agency currently provides 10,000 visits per year and would need staffing to cover the additional 15,000 visits. The average cost of one RN FTE is \$46,000 salary plus 32% employer contributions.

(b) Future Impact on Operating Expenses or Facility Requirements: If this request is fully funded, no currently known additional operating funds will be needed in the future.

(2) Position Details:

	State	Federal	Earmarked	Restricted	Total
Position Title: RN II					
(a) Number of FTEs	16.00				16.00
(b) Personal Service	\$736,000				\$736,000
(c) Employer Contributions	\$235,520				\$ 235,520

(3) FTEs in Program Area per FY 2006-07 Appropriation Act:

State	41.19
Federal	355.79
Other	331.64

Agency-wide Vacant FTEs as of July 31, 2006: 777.70 % Vacant 15.8%

H. Other Comments:

Vaccine Purchases for Under-insured Children and Adolescents

B. Priority No. 6 of 19

C. (1) Title: **Vaccine Purchases for Under-insured Children and Adolescents.**

(2) Summary Description: This request is for **\$4,754,582** of recurring funds to support vaccine purchases for under-insured children and adolescents. A portion, \$2,357,390 of this request represents funds requested in FY07 that were approved as one time funding. Because the needs for these funds continue, these funds are requested as recurring. The remaining portion of the total request represents the addition of the new human papillomavirus vaccine (HPV) that is now recommended for adolescent girls to prevent cervical cancer.

Vaccines are one of the great success stories in public health and are among the **most cost-effective health interventions**. **An unprecedented number of new vaccines have been introduced in 2005 and 2006** and recommended to fight diseases once thought to be out of reach of prevention efforts. New vaccines have recently become available to prevent diseases like meningitis, rotavirus gastroenteritis, and to boost immunity to pertussis. The human papillomavirus vaccine was recommended by the Centers for Disease Control and Prevention's (CDC) Advisory Committee on Immunization Practices (ACIP) for use to prevent cervical cancer and was adopted by CDC on June 29, 2006. HPV vaccine was also added to the federal Vaccines for Children (VFC) entitlement program for VFC-eligible adolescents.

Moreover, both Meningococcal Conjugate vaccine (MCV4) and Tetanus, Diphtheria, Pertussis vaccines (Tdap) were added to the immunization schedule in 2005. These vaccines have also been added to the federal Vaccines for Children (VFC) entitlement program for children and adolescents who are VFC-eligible. States are required by federal law to implement all new vaccines added to the VFC entitlement program for VFC-eligible children and adolescents within 90 days of the publication of the program announcement. States count on both state and federal funding to support the purchases of vaccines for children, adolescents and adults who are not VFC-eligible.

Vaccine financing for vaccines in South Carolina consists of a balance of federal section 317 funding, federal entitlement Vaccines for Children (VFC) funding, state funding and private insurance funding. The federal section 317 funding is a key component in the balance of vaccine funding in South Carolina and represents approximately 18 percent of the total vaccine costs. Along with an approximate 8 percent share of state funding, 317 funding ensures vaccine for children and adolescents who are not eligible for the VFC entitlement program and who cannot otherwise afford immunization. Unfortunately, during 2005 - for the first time, and continuing into 2006, the federal section 317 portion did not receive sufficient funding to carry out its essential public health mission. Thus, the number of under-insured children and adolescents who could potentially receive a full series of recommended vaccines without charge continues to decline with each new vaccine or recommendation to broaden use of existing vaccines.

Never has there been a time when vaccines are more critical as the nation braces for the possibility of a pandemic influenza outbreak. Children need to be fully vaccinated so that they are less vulnerable to the risks of preventable diseases. Given the years and enormous investment required to bring new vaccines to the public, it is imperative that access to these cost-effective, disease prevention measures is ensured once they become available and recommended by the medical community.

Because these new vaccines are important additions to the immunization schedule and will prevent vaccine-preventable diseases in children and adolescents, state funds are requested for purchase of these vaccines so that under-insured children and adolescents throughout the state can have access to the vaccines in their medical home and public health clinics. Currently, private physicians' practices administer approximately 84 percent of public health program vaccines and DHEC county health department clinics administer approximately 16 percent. Without funds to purchase vaccines needed by under-insured children and adolescents, DHEC must implement the federal entitlement Vaccines for Children (VFC) program in a way that places approximately **11 to 25 percent of the state's children and adolescents at increased risk for these vaccine-preventable diseases because access to the vaccines is restricted.** The two-tier immunization system that this kind of implementation creates is problematic for the medical community and public health to implement and is confusing to parents.

Additional state funds are requested for vaccine purchases to support program changes during FY 2007-08 and beyond. Furthermore, additional state funds are requested to fund increased immunization infrastructure needs associated with maintaining implementation of MCV4 and Tdap vaccines and initial offering of the new HPV vaccine so that the availability of all vaccines, including the new vaccines described above, can be maintained for under-insured children and adolescents.

3) Strategic Goal/Action Plan (*if applicable*): This request supports the following agency's broad goals: *Increase support to and involvement by communities in developing healthy and environmentally sound communities; Improve the quality and years of healthy life for all; and Eliminate health disparities* and is highlighted in the agency's 2005-2006 Annual Accountability Report on page 6 and in III.7.2.

D. Budget Program Number and Name: II E 1 – Family Health: Infectious Disease Prevention

E. Agency Activity Number and Name: 968 - Infectious Disease Prevention – Immunization Program

F. Detailed Justification for Funding:

(1) Justification for Funding Increase:

(a) This request for new state funding will provide for vaccine purchases of HPV vaccine for under-insured children and adolescents that South Carolina is required to implement. In addition, this request will: support the continued purchase of MCV4 and Tdap vaccines for the under-insured in order to maintain them as single tier systems; cover the lack of federal section 317 funding for MCV4, Tdap and HPV vaccines for the under-insured; and support both the public health clinic access to these new vaccines and the immunization education about these new vaccines to the public and in the medical community.

(b) State funds of \$4,754,582 are required to:

- \$4,189,901 to purchase Meningococcal vaccine, Tdap vaccine and HPV vaccine.
 - An additional \$485,760 (\$329,489 received in FY07 as one time funding is included) in personnel funds to cover the continued costs of the patient immunization encounters in DHEC clinics and immunization infrastructure needs in the medical community. These funds would be used to provide nursing staff to administer the vaccines and to ensure medical community educational and quality assurance needs related to these newly implemented vaccines can be met. These funds would allow for: 1) ensuring access to and administration of these new vaccines; 2) ensuring vaccine provider quality assurance through education about these new vaccines; 3) increased epidemiology and disease surveillance activities; 4) increased required statutory and regulatory assessments in schools and child day care facilities; and 5) increased demand for travel, operating, and medical supplies. Operations and supplies are equal to 10% of the costs in Immunization funding.
 - The agency is requesting \$43,946 (\$36,716 received in FY07 as one time funding is included) in operating funds to cover the additional operational costs associated with implementing new vaccines. These funds are needed for additional supplies for the clinics. Additional operating is needed to cover the administrative for the staff requested above. That amount is \$34,975. The total operating needed will come to \$78,921.
- (c) Describe how this program compares, expands, maintains, or complements other existing state or local programs: These immunization funds will be used as a part of the comprehensive efforts to ensure that SC's children are fully immunized as explained above.
- (d) Explain the priority ranking, such as why the item is considered a high priority: SC is required to implement the vaccines as explained above. Childhood immunizations are an extremely cost effective intervention and produce considerable cost savings.
- (e) Cite the source of any funding from other sources (grants, fees, tuition, etc.) and the relevant authority if the program is needed to comply with a legal mandate (constitutional, federal or state statute, court order): SC currently receives funding from federal and some third party payers in addition to state funding. States are required by federal law to implement all new vaccines added to the VFC entitlement program for VFC-eligible children and adolescents within 90 days of the publication of the program announcement. As explained above, federal section 317 funds are not available to implement these new vaccines for under-insured children and adolescents. Additional funding has been requested from the federal government. If they are received, they will not be available in time to meet the implementation schedules nor will they be enough to cover the total costs associated with this request.
- (f) Explain why current resources are not used and why additional funding is the lowest cost alternative. Specify to what extent carry forward General Funds and/or Other funds cash balances may be used to fund this request. If these funds cannot be used for this purpose, explain why these resources are not available and the agency's plans for the use of these funds: There is not enough current funding to purchase these vaccines and to cover the operating costs. There are no other funds available to use for this purpose.

(2)

FY 2007-08 Cost Estimates:	State Non-Recurring Funds	State Recurring Funds	Federal	Other	Total
Personnel:					
(a) Number of FTEs*		8.00			8.00
(b) Personal Service		\$368,000			\$368,000
(c) Employer Contributions		\$117,760			\$117,760
Program/Case Services		\$4,189,901			\$4,189,901
Pass-Through Funds					\$ 0
Other Operating Expenses		\$78,921			\$78,921
Total		\$4,754,582	\$ 0	\$ 0	\$4,754,582

(3) Base Appropriation: II E 1 – Infectious Disease Prevention

State	\$12,053,353
Federal	\$50,248,209
Other	\$3,628,312

(4) Is this priority associated with a Capital Budget Priority? No If so, state Capital Budget Priority Number and Project Name: _____.

G. Detailed Justification for FTEs

(1) Justification for New FTEs

(a) Justification: With the implementation of these new vaccines, DHEC experiences additional clinical time per patient vaccinated, additional time devoted to epidemiology and disease surveillance, statutory and regulatory assessments in schools and child day care facilities, additional time spent on public educational programs for parents, and additional time responding to immunization practice questions about these new vaccines from physicians' practices who administer the majority of vaccines in the state. Together, these new activities represent an increased need for at least one public health nurse FTE in each of the eight public health regions. Most of these additional duties are related to the new vaccines implemented for adolescents (e.g., MCV4, Tdap, and HPV vaccines) who present unique challenges to public health and the medical community with regard to immunization. DHEC needs an additional \$485,760 (\$329,489

received in FY07 as one time funding is included) in personnel and fringe benefit funds to cover the costs of providing these public health nursing positions.

(b) Future Impact on Operating Expenses or Facility Requirements: If this request is fully funded, no currently known additional operating funds will be needed in the future.

(2) Position Details:

	State	Federal	Earmarked	Restricted	Total
Position Title: RN II					
(a) Number of FTEs	8.00				8.00
(b) Salary	\$368,000				\$368,000
(c) Fringe Benefits	\$117,760				\$117,760

(3) FTEs in Program Area per FY 2006-07 Appropriation Act: II E 1 – Infectious Disease Prevention

State	150.80
Federal	105.45
Other	56.14

Agency-wide Vacant FTEs as of July 31, 2006: 777.70 % Vacant 15.8%

H. Other Comments:

Prevention of Diabetes and Other Chronic Disease Disparities

B. Priority No. 7 of 19

C. 1) Title: **Prevention of Diabetes and Other Chronic Disease Disparities**

(4) Summary Description: This request for **\$3,816,141**, which includes \$3,696,141 in recurring funds and \$120,000 in non-recurring funds, is to support the Prevention of Diabetes and Other Chronic Disease Disparities. The state continues to rank below national averages in many important health indicators, and falls among the states with the highest rates of diabetes, heart disease, stroke and cancer. These outcomes are significantly worse for minority, poor and rural populations. Many of these diseases are preventable and funding is needed to address diabetes and other health disparity conditions which are leading causes of death and disability utilizing proven primary and secondary preventative approaches. This request includes funding to support:

(a) The Diabetes Prevention Initiative, which will allow DHEC to provide diabetes prevention services in 26 of the rural and very rural counties. These SC counties have a higher prevalence of diabetes, higher percentage of African American residents and lack the evidence-based programs of diabetes self-management education. This request will expand the minimal efforts of DHEC to provide Diabetes Self-Management Education (DSME) thru a team of nurses (RNs) and registered dietitians (RDs) to initiate medical nutrition therapy (MNT) provided by licensed registered dietitian to clients with diabetes and renal disease. This team will also collaborate with the public schools and local healthcare providers to improve the care of children and adults.

(b) A Community Health Disparity grants initiative to address diabetes and other chronic disease priority disparity areas - cardiovascular disease (heart and stroke) and related risk factors (physical inactivity, nutrition and smoking) and cancer. All funded initiatives must focus on eliminating priority health disparity conditions, be scientific and evidence-based, and, a plan for sustainability and, whenever applicable, replication.

(3) Strategic Goal/Action Plan (*if applicable*): This request supports the following agency broad goals to: *Improve the quality and years of healthy life for all; Eliminate Health Disparities; and Increase support to and involvement by communities in developing healthy and environmentally sound communities* this need is highlighted in the agency's 2005-2006 Annual Accountability Report in III.7.2.

D. Budget Program Number and Name: II E 3 – Family Health: Chronic Disease Prevention and II E 4 – Family Health: Access to Care

E. Agency Activity Number and Name: 973 - Chronic Disease Prevention and 975 - Assuring Public Health Services

(1) Detailed Justification for Funding:

(1) Justification for Funding Increase:

- (2) Diabetes is a public health epidemic in South Carolina. According to national BRFSS 2005 data, the state is second in the nation for prevalence (the number of people living with) of diabetes among adults and has the third highest prevalence of diabetes nationally in our African American citizens. This translates into 1 out of every 6 African Americans in SC currently has diabetes.

This request will enhance existing efforts to improve the health of all South Carolinians. The funding will assist in the statewide mission of promoting and protecting the public's health by reducing complications and deaths due to diabetes and renal disease and eliminating health disparities through evidenced based primary and secondary interventions. Primary interventions will be addressed through provision of evidenced based train the trainer and other health promotion and health education programs, and health disparity grants to be implemented at the community level with an emphasis on health promotion and lifestyle changes to impact priority health disparities and related risk factors. The Community Health Disparity Grant Initiative will engage the local community in proven effective activities that change behaviors that lead to death, disease and disabilities to ones that lead to healthy lives. Evaluation will be used to measure success of the program activities.

In 2004, 3 to 4 people died each day from diabetes complications. In South Carolina, 21.7% of citizens over age 65 have diabetes and 60% of people with uncontrolled diabetes die of heart attacks or strokes each year. The total hospital charges for diabetes were \$928 million in 2001, which are more than 5 times the total charges in 1987 (\$183 million). The prevalence of heart attack and stroke are increased 5-fold among people with diabetes in the state. Dialysis prevalence among diabetics has increased 43% in 5 years. One in eight South Carolinians have chronic kidney disease with 75% of kidney patients African Americans. The annual cost of dialysis for one citizen is over \$45,000. South Carolina is, per capita, third in the nation with the number of patients on dialysis. Hospitalization rates for renal failure are more than doubled among blacks when compared with whites.

Without state or federal funding, DHEC struggles to support primary and secondary prevention of the public health problem of diabetes. Five of the public health regions have shown commitment to secondary prevention by becoming an American Diabetes Association (ADA) recognized diabetes self-management education (DSME) program in 2003. However, these DHEC diabetes educators serve a minimal number of patients (200 each year) due to budget constraints. DSME is the process of teaching people to manage their diabetes. Goals of DSME are to optimize metabolic control, prevent acute and chronic complications, and achieve an optimal quality of life, while keeping costs acceptable. DSME can be provided in a variety of community settings, including community-gathering places. This billable education service requires a referral from the local healthcare provider, which has been the means to enhance collaboration of DHEC with the healthcare providers. DHEC's DSME program tracks pre and post clinical data that noted 60% of our DSME clients made changes in their life that resulted in improved diabetes control as evidenced by a decrease in the A1c lab test.

DHEC receives no state or federal funding to support registered dietitians to provide Medical Nutrition Therapy (MNT) to citizens with diabetes or renal disease. Medical Nutrition Therapy is an essential component of comprehensive health care services. MNT can increase consumer's health and well being, and increase productivity and satisfaction levels through decreased doctor visits, hospitalizations and reduced prescription drug use. Nutritional counseling for citizens with renal disease can halt the progression of the disease to dialysis.

In 2006, DHEC received a \$150,000 grant from DHHS to address systems improvement in primary care provider offices in ten selected counties. Sixty percent of medical offices contacted have agreed to participate in the DHEC Diabetes Educator Connect. Certified diabetes educators (CDE) are unable to meet the requests from public school nurses for assistance in caring for children with diabetes. The state

Department of Education recognize the benefit that these CDEs offer in developing a healthcare plan to address the complex needs of this child in the school setting.

Secondary/tertiary prevention efforts will occur through a regional DSME Team of RNs and RDs to establish DSME and MNT services in areas without these services. These programs will result in improved self care of people with diabetes and renal disease as measured by clinical outcomes and behavior changes. Partners for this initiative include DHEC, the Diabetes Initiative of SC, Carolinas Center for Medical Excellence (CMME) diabetes collaborative, the American Association of Diabetes Educators and American College of Endocrinology.

- (3) Base funding will support the establishment of regional teams of RNs and RDs to provide DSME and MNT services to citizens. The regional RN/RD teams will consult with medical providers' offices to provide education to office staff and consult with public schools to enhance earlier recognition of Type 2 diabetes in children and care of children with diabetes. These programs will result in earlier identification and prevention of diabetes and improvement in care of citizens with diabetes in SC.

Base funding will also support staff to provide training, technical assistance/ support, coordination and evaluation of community grants. A health educator in each of the eight regions will coordinate the implementation of community health disparity initiatives with \$1,500,000 to support community health disparity grants across the state. This initiative will foster sustainable behavioral change by assuring the use of best/promising practices to address obesity, tobacco cessation, lack of exercise and proper nutrition in community settings such as faith based organizations, schools, etc

(c) Many SC citizens do not have access to DSME and MNT programs that are proven to reduce complications and cost of care of diabetes and renal disease. The majority of the state's sixty-five ADA DSME programs are located in the large hospitals in the fourteen urban counties. Fourteen of our rural and very rural counties do not have any DSME program available and nine other rural/very rural counties are served by DHEC only. Our rural and very rural counties also have our highest prevalence of diabetes and percentage of African American citizens. By establishing more DSME and MNT sites in our rural counties, our citizens will be able to access comprehensive care.

Four criteria were used to define the targeted counties for expansion of the Diabetes Prevention Initiative: 1) rural or very rural counties; 2) prevalence of diabetes higher than state average; 3) lack of DSME or MNT programs; and 4) percentage of African American citizens greater than state average. The twenty-six (26) targeted rural or very rural counties are:

- Region 1 – Edgefield, McCormick, Greenwood, Abbeville, Saluda
- Region 3 – Chester, Fairfield
- Region 4 – Chesterfield, Clarendon, Darlington, Dillon, Lee, Marion, Marlboro
- Region 5 – Allendale, Bamberg, Barnwell, Calhoun, Orangeburg
- Region 6 – Georgetown, Williamsburg
- Region 7 – Rural Dorchester and Berkeley
- Region 8- Colleton, Hampton, Jasper

The regional professionals supported by this budget request will compliment the capacity building work of the Division of Cardiovascular Disease, Obesity and Diabetes in their consultation with healthcare providers and schools. The impact of this initiative will also support the strategic plan of the SC Diabetes Initiative.

This initiative will significantly enhance existing efforts to improve the health of all South Carolinians through culturally appropriate initiatives, which target the state's minority population who continue to suffer disproportionately from diabetes and many other preventable health conditions and diseases. It will also, compliment and enhance existing federally funded efforts such as the, REACH (Racial and Ethnic Approaches to Community Health) Stroke Belt Elimination Initiative, as well as the CDC funded Diabetes Control Program coalitions, South Carolina Obesity Prevention Program, the primary prevention activities of the South Carolina Cancer Alliance, as well as federally funded tobacco control activities. Other initiatives include prostate cancer efforts and other faith and health initiatives.

(d) Eliminating health disparities continues to be a priority as this population continues to suffer disproportionately from many preventable disease conditions. Diabetes is a public health epidemic in South Carolina. According to national BRFSS 2005 data, SC is second in the nation for prevalence of diabetes among adults and has the third highest prevalence of diabetes nationally for African Americans in the state. This translates into 1 out of every 6 African Americans in SC currently has diabetes. African Americans are affected more than other populations, with 15.5 percent having diabetes compared to 8.9 percent of Hispanics and 7.3 percent of whites. Heart disease is the number one chronic disease killer in South Carolina. Death rates for heart disease are higher in our state for African Americans. White women are diagnosed more often with breast cancer, but African American women are diagnosed at later stages, resulting in increased death rates. Additionally, three times more African American men die of prostate cancer than men of other races.

Implementing these initiatives will result in improved quality of life for SC citizens and decreased cost in healthcare for the community. A systematic review of published studies, conducted on behalf of the Task Force on Community Preventive Services by a team of experts, including those from the Centers for Disease Control and Prevention (CDC), the National Institute of Diabetes and Digestive and Kidney Disorders (NIDDK), found that that diabetes self-management education is effective in improving glycemic (blood sugar) control when delivered in community gathering places for adults with type 2 diabetes. In these published studies, DSME in community centers, faith institutions, and libraries improved glycated hemoglobin (A1c) levels by 1.9 percentage points. An improvement of this size is associated with a decrease in diabetes-related complications and death.

(e) DSME and MNT are billable services for all third party payers, however no funding exists to provide this service to un/under insured people living in rural and very rural communities in SC. No other source of funding exists for community based health disparities grants. Current resources are not available for community health improvement as these resources are generated from federal grants and are committed to activities that meet specific deliverables.

There are no current state resources available to offer Health Disparity Grants targeting diabetes to the community. In a national survey of diabetes prevention and control programs (DPCP) with 20 states responding, it was noted that other states are providing financial support for diabetes preventive care ranging from \$500,000 to over \$3 million.

(4) Operating funds requested:

1. Recurring funds of \$34,176 in travel funds for 32 staff people at 2400 miles per year @ \$.445 per mile;
2. Non-recurring funds of \$48,000 for computers for 32 staff @ \$1,500 per computer;
3. Non-recurring funds of \$32,000 for furniture for 32 staff @ \$1,000 per staff person;
4. Non-recurring funds of \$40,000 for supplies and software;
5. Recurring funds of \$1,500,000 for the community grants;
6. Recurring funds of \$53,913 for evaluation contract; and
7. Recurring funds of \$116,711 to cover the additional administrative and support costs for the new positions.

(2)

FY 2007-08 Cost Estimates:	State Non-Recurring Funds	State Recurring Funds	Federal	Other	Total
Personnel:					
(a) Number of FTE's*		37.00			37.00
(b) Personal Service		\$1,508,592			\$1,508,592
(c) Employer Contributions		\$482,749			\$482,749
Program/Case Services		\$1,500,000			\$1,500,000
Pass-Through Funds					\$0
Other Operating Expenses	\$120,000	\$204,800			\$324,800
Total	\$120,000	\$3,696,141	\$0	\$0	\$3,816,141
<i>* If new FTE's are needed, please complete Section G (Detailed Justification for FTEs) below.</i>					

(5) Base Appropriation:

State	\$41,702,901
Federal	\$46,641,584
Other	\$23,936,730

(6) Is this priority associated with a Capital Budget Priority? No If so, state Capital Budget Priority Number and Project Name: _____.

(7) Detailed Justification for FTEs

(8) Justification for New FTEs

(a) These registered nurses and registered dietitians will devote 70-80% of their time to DSME and MNT services. They will provide individual and group education to clients with diabetes or renal disease. Consultation to area healthcare provider offices and public schools will require 20-30% of their time. The regional health educator will coordinate implementation of the health disparity community grants; providing technical assistance and guidance, assisting with capacity building efforts including providing train-the trainer sessions and coordinating linkages. The administrative assistant positions in the regions are required to support the program professionals to maximize their productivity in defined services. The grants specialist, headquartered in Health Services Office, is required to oversee the financial aspects of the community grants. A program evaluator will be retained on contract with USC School of Public Health to assist with DSME and MNT program development and evaluation. This contractual professional will also assist with evaluation plans of the community grants.

(9) Future Impact on Operating Expenses or Facility Requirements: If this request is fully funded, no currently known additional operating funds will be needed in the future.

(10) Position Details:

	State	Federal	Earmarked	Restricted	Total
Position Title: Nurse Manager- State Diabetes Coordinator					
(a) Number of FTEs	1.00				1.00
(b) Personal Service	\$60,000				\$60,000
(c) Employer Contributions	\$19,200				\$19,200
	State	Federal	Earmarked	Restricted	Total
Position Title: Grants Specialist					
(a) Number of FTEs	1.00				1.00
(b) Personal Service	\$34,092				\$34,092
(c) Employer Contributions	\$10,909				\$10,909
	State	Federal	Earmarked	Restricted	Total
Position Title: Registered Nurse II					
(a) Number of FTEs	11.50				11.50
(b) Personal Service	\$529,000				\$529,000
(c) Employer Contributions	\$169,280				\$169,280
	State	Federal	Earmarked	Restricted	Total
Position Title:Nutr IV					
(a) Number of FTEs	11.50				11.50
(b) Personal Service	\$517,500				\$517,500
(c) Employer Contributions	\$165,600				\$165,600

	State	Federal	Earmarked	Restricted	Total
Position Title: H. Educator II					
(a) Number of FTEs	8.00				8.00
(b) Personal Service	\$280,000				\$280,000
(c) Employer Contributions	\$89,600				\$89,600
	State	Federal	Earmarked	Restricted	Total
Position Title: Admin Spec II					
(a) Number of FTEs	4.00				4.00
(b) Personal Service	\$ 88,000				\$ 88,000
(c) Employer Contributions	\$28,160				\$28,160

(11) FTEs in Program Area per FY 2006-07 Appropriation Act:

State 818.70

Federal 425.71

Other 210.40

Agency-wide Vacant FTEs as of July 31, 2006: 777.70 % Vacant 15.8%

(12) Other comments:

Pandemic Influenza and Public Health Emergency Preparedness

B. Priority No. 8 of 19

(13) (1) Title: **Pandemic Influenza and Public Health Emergency Preparedness**

(14) Summary Description: This request is for **\$4,388,356** total dollars with \$3,251,310 recurring and \$1,137,046 non-recurring funds which will provide for a systematic approach necessary to build capacity, improve readiness, and provide rapid response to an **influenza pandemic, terrorism events** posing a biological, chemical, and/or radiological/nuclear threat, **major hurricanes, or other disasters**. This approach includes recurring and non-recurring funds for personnel, supplies, equipment, construction and

staff training. This request is critical, since South Carolina has many vulnerable, important and high profile facilities and population centers that are at risk from hurricanes, epidemic diseases and terrorist attacks. Preparedness for major hurricanes, acts of terrorism, pandemic influenza and other public health emergencies is a critical national and state priority. US Department of Health and Human Services Secretary Mike Leavitt has held pandemic influenza summits in all 50 states to call for immediate action to prepare for the possibility of a deadly world-wide influenza outbreak. Under the State Emergency Operations Plan, **DHEC has lead agency responsibility for coordinating health and medical services and response for hazardous materials.**

The agency-wide Public Health Preparedness program is responsible for functions relating to emergency and disaster preparedness. Staff must coordinate with federal, state and local agencies to be prepared in the event of a natural disaster or manmade emergency. DHEC personnel are responsible for staffing the State Emergency Operations Center and DHEC Emergency Operation Center and coordinating response activities for health and environmental functions. DHEC is currently prepared to respond to limited numbers of emergency response actions throughout the state. While Environmental Quality Control (EQC) and Health Services Regional staff are responsible for emergency response activities throughout the state, these staffs are very limited in their response capabilities due to lack of personnel, resources, equipment and training. For example, in a hazardous materials release, DHEC employees are responsible for initial coordination of the agency's activities and actions to oversee the operations by a responsible party to minimize and remove a release in such a manner as to prevent further public health and environmental threats. The EQC Central Office staff has developed a small hazardous materials response staff that assists local governments in assessment of health threats from releases, while providing technical assistance to the responsible party. They work to determine appropriate containment and disposal methods, and participate in specialized responses in coordination with other state agencies in response to terrorist threats throughout the state. The training and maintenance of these staffs and their preparedness/response capabilities requires a specially trained and equipped staff with appropriate laboratory support to provide timely identification of environmental and public health threats and assurances of appropriate chemical residue removal/disposal.

DHEC Public Health Preparedness, Health Regulations and Health Services staff are responsible for coordinating public health activities and medical response in emergencies. As the state's primary agency for Emergency Support Function 8, Health and Medical, DHEC is responsible for coordinating medical care, public health and sanitation, behavioral health, and deceased identification and mortuary services. Non-recurring funds are needed to purchase appropriate emergency response vehicles for responding to public health crises in remote locations; carrying emergency medical supplies and equipment to affected persons and areas; and towing mobile medical surge units to strategic locations for the purpose of providing medical care and other relief interventions. Recurring funds are needed to provide adequate insurance and maintenance for these vehicles.

The federal CDC Public Health Emergency Preparedness grant that has been used to build disease control, laboratory and emergency preparedness capacity **has been severely reduced**, from \$14,497,322 in FY 2002-03, to \$10,652,835 in FY 2006-07, a reduction of \$3,844,487 or **27%** in base annual funding. The 2006 federal reauthorization act for the program will likely include **a state match requirement** for future funding. A supplemental emergency grant for pandemic influenza preparedness of \$1,508,881 was received in 2006, with an additional \$3,282,750 for FY 2006-07. These are one-time, non-recurring federal funds that cannot be used for permanent personnel, purchase of antiviral medication stockpiles, construction of a stockpile warehouse and its operations, or other public health measures that need sustained funding.

DHEC is responsible for coordinating medical care, public health and sanitation, behavioral health, and deceased identification and mortuary services. The wide variety of staffing required to maintain this capability involves many programs, including Nursing, Disease Control, Public Health Preparedness, Clinical Services, Social Work, Laboratory, Environmental Health and Management. All or portions of these positions are currently funded by a fluid federal grant, the CDC Public Health Emergency Preparedness Cooperative Agreement (CDC PHEP), and a funding cut of 12% for FY 06-07 is indicative of a trend of future reductions in this critical source of funding. Considering this trend of decreased federal emergency preparedness funding and the agency's investment in staffing to achieve national preparedness goals and response capability for hazards in this state, it is important to build a stable, state-funded emergency preparedness workforce. The 12% reduction in personnel costs currently funded under CDC PHEP will have a significant negative effect on DHEC's capacity for emergency preparedness and response. State funding for these positions will help to ensure continuity of current staffing for public health emergency preparedness and response.

This request for recurring state funding will sustain the public health capacity to respond to an influenza outbreak, a major hurricane or other natural disaster, and biological terrorism that has been built with federal funds that are declining or non-recurring. Funds will support a State Public Health Emergency **Pharmaceutical Stockpile** of medications, medical supplies, mobile medical facilities, equipment for medical surge, and personal protective equipment, including purchase and rotation of antiviral medications for pandemic influenza. Core preparedness personnel will be funded on state funds to assure continuity of the program as federal grants continue to decline. State funding will be used for continuation of 16.6 existing federal FTEs that are in jeopardy due to federal budget reductions and for ten new positions in the eight DHEC regions and state. State funds are requested to construct and operate the stockpile warehouse and to maintain essential reserves of medicines, equipment and supplies for public health emergencies.

(15) Strategic Goal/Action Plan (*if applicable*): This request supports all of the agency's broad goals to: *Increase support to and involvement by communities in developing healthy and environmentally sound communities; Improve the quality and years of healthy life for all; Eliminate health disparities; Protect, enhance and sustain environmental and coastal resources; and Improve organizational capacity and quality* and is highlighted in the agency's 2005-2006 Annual Accountability Report on pages 1, 2, 7 and 8.

(16) Budget Program Number and Name: II E 4 Family Health: Access to Care

(17) Agency Activity Number and Name: 978 Protection from Public Health Emergencies

(18) Detailed Justification for Funding:

(19) Justification for Funding Increase: The requested funds will produce a significantly improved preparedness and response program to serve the state's population. National leaders have repeatedly stated that public health is the nation's first line of defense against a weapon of mass destruction event. Emergency preparedness at DHEC requires the immediate communication and coordination of response staff. Employees are involved in preparing, communicating, and directing emergency and public responses to natural

and man-made disasters. DHEC collaborates with the Governor's Office, the Emergency Management Division, SLED, and other state agencies along with federal government partners such as the Centers for Disease Control and Prevention, Health Resources and Services Administration, US Coast Guard, EPA, the Nuclear Regulatory Commission, FEMA, and with numerous local emergency management agencies. DHEC personnel are engaged in a wide variety of planning and response activities for public health protection, including disease control, coordination with Fixed Nuclear Facilities, implementation of sampling and evidence collection procedures, laboratory analyses and field investigations. DHEC participates in Weapons of Mass Destruction responses via the joint DHEC/SLED WMD Response Team.

Recurring funds of \$3,251,310 are being requested to better prepare to respond to major emergencies.

- \$1,203,468 in recurring funds will support a State Public Health Emergency Pharmaceutical Stockpile of medications, medical supplies, mobile medical facilities, equipment for medical surge, and personal protective equipment, including purchase and rotation of antiviral medications for pandemic influenza. Funding will be used to complete the state's purchase of antiviral medication under the CDC Pandemic Influenza Emergency Supplement federal match program that allows the state to stockpile antiviral medicines at a 75% state/25% federal match. Recurring funds are needed to rotate stock and replace expired or expended antibiotics, antivirals, chemical antidotes, infection control supplies, personal protective equipment and medical supplies, and to operate the Emergency Pharmaceutical Stockpile warehouse.
- \$609,000 in recurring funds will be used for environmental emergency response operations. Funds are needed for vehicles, vehicle operating expenses, training and travel associated with terrorism and disaster response, first responder/emergency response activities and planning activities. This will ensure that every DHEC first responder has up-to-date reference information related to potential public health/environmental emergencies and receive advanced training. Mobile field laboratory supplies, maintenance contracts for instruments, field monitoring equipment for radiological and chemical release investigations, instrument calibration services, and computer programs for accessing chemical information databases will also be supported. \$77,648 will provide for operating expenses for public health preparedness and health services emergency response operations. \$12,000 in recurring funds is requested for yearly vehicle operation expenses.
- \$1,022,117 in salary and \$327,077 in fringe will fund 16.6 (sixteen and six-tenths) existing FTEs that are jeopardized by significant budget reductions in the federal CDC Public Health Emergency Preparedness grant and 10 (ten) new FTEs needed for coordination of DHEC EQC response operations into local/state/federal emergency response plans and to conduct field responses throughout the state. Central Office and Regional Office EQC FTEs will participate in field activities and will be able to wear personnel protective equipment and conduct assessments during chemical, radiological and natural disasters. Dedicated emergency response staff is critical in providing quick responses and preventative actions to protect the public health and the environment.

Non-recurring funds of \$1,137,046 are being requested for construction of a facility for the Public Health Emergency Pharmaceutical Stockpile, essential equipment, response vehicles, staff education and training necessary for emergency preparedness:

- \$367,046 is needed for specialized chemical and radiological monitoring equipment with calibration sources, portal monitors, de-contamination equipment, and personal protective equipment. Other needs include: communications equipment such as satellite

telephones, digital beepers, mobile telephones, TRANSCOM communication capability, and hand-held 800-MHz radios; office, educational, and training supplies for staff; and a generator for redundant power for the Stern Office Building;

- DHEC owns mobile emergency response assets to increase the state's medical surge capacity in a mass casualty event, including six (6) mobile medical facilities (SC Med), but federal funding, through which many emergency response assets are funded, does not allow purchase of vehicles of any kind for transporting these assets, and DHEC does not have ready access to vehicles of the appropriate type for towing applications. Due to the size and weight of the fully loaded trailers for the mobile medical facilities, 28 feet long and 15,000 plus pounds, a tow vehicle must be appropriately outfitted with an exceptionally robust power train and suspension system to safely move the assets. Tow vehicles must currently be acquired through MOA with community partners, such as the fire service, or requested from a limited agency inventory, both of which will likely be otherwise engaged in an emergency situation and unavailable for transporting critical mobile medical assets to where they are most needed. This funding request includes six (6) tow vehicles at \$45,000.00 each, for a total of \$270,000 in non-recurring funds.
- Fund the building of a Public Health Emergency Pharmaceutical Stockpile warehouse for controlled-climate storage of pharmaceuticals, medical supplies, equipment for medical surge, personal protective equipment, and garage space to protect emergency response vehicles from the weather. The building will be designed to house DHEC emergency operations and will serve as a receiving, storage, and shipping site for emergency deployment of the US Strategic National Stockpile. \$500,000 in non-recurring funds is being requested.

(2)

FY 2007-08 Cost Estimates:	State Non-Recurring Funds	State Recurring Funds	Federal	Other	Total
Personnel:					
(a) Number of FTEs*		26.60			26.60
(b) Personal Service		\$1,022,117			\$1,022,117
(c) Employer Contributions		\$327,077			\$327,077
Program/Case Services					
Pass-Through Funds					\$ 0
Other Operating Expenses	\$1,137,046	\$1,902,116			\$3,039,162
Total	\$ 1,137,046	\$3,251,310	\$ 0	\$ 0	\$ 4,388,356
<i>* If new FTEs are needed, please complete Section G (Detailed Justification for FTEs) below.</i>					

(20) Base Appropriation:

State	\$40,190,667
Federal	\$41,249,576
Other	\$23,866,354

- (4) Is this priority associated with a Capital Budget Priority? No If yes, state Capital Budget Priority Number and Project Name: _____.

(21) Detailed Justification for FTEs

(22) Justification for New FTEs

- (23) Justification: Sixteen and six-tenths (16.6) of the twenty six and six-tenths (26.6) positions to be funded are existing FTEs that are funded through the federal CDC Public Health Emergency Preparedness cooperative agreement. Due to significant reductions in the base funding for this program (27% since 2002), these FTEs cannot be sustained on the reduced funding level and will be eliminated in August 2007. DHEC proposes to fully fund these positions from state funds, so that there will be a stable emergency preparedness workforce. In addition, this investment of state funds can be used to meet match requirements if these are incorporated in the federal reauthorization legislation, as anticipated. These positions include: 1 (one) Program Coordinator 2 (Salary \$50,467/Fringe \$16,149); and 15.6 (fifteen and six-tenths) Program Coordinator 1 positions (estimated average salary \$36,000/fringe\$11,520).

The ten new positions are environmental emergency response management personnel who are critical to prepare for and to coordinate response to natural and man-made disasters, particularly incidents involving Weapons of Mass Destruction and Fixed Nuclear Facilities. State level planning also requires staff to develop plans, provide training, and coordinate emergency management assistance with local responders and staff from other State/Federal agencies and organizations. All new FTEs requested are essential to implement and maintain an increased level of emergency preparedness on the state and local level. It will not be possible for staff to assume these additional responsibilities on top of other duties. On the local level, FTEs are needed to coordinate emergency preparedness and response activities. These staff will coordinate with local first responders (fire, law enforcement, emergency medical personnel and the Local Emergency Planning Committee), other State/Federal agencies to create and sustain local and state infrastructure and capacity, will also coordinate with federal emergency response/preparedness plans. These staff will work to provide input for the development and implementation of local plans, and provide training and technical assistance when appropriate. These positions include ten Environmental Health Manager 2.

- (24) Future Impact on Operating Expenses or Facility Requirements: If this request is fully funded, no currently known additional operating funds will be needed in the future. The new FTE's will be housed within existing facilities.

(25) Position Details:

	State	Federal	Earmarked	Restricted	Total
Position Title: Environmental Health Manager 2					
(a) Number of FTEs	10.00				10.00
(b) Personal Service	\$409,938				\$409,938
(c) Employer Contributions	\$131,180				\$ 131,180

	State	Federal	Earmarked	Restricted	Total
Position Title: Program Coordinator 2					
(a) Number of FTEs	1.00				1.00
(b) Personal Service	\$50,467				\$50,467
(c) Employer Contributions	\$16,149				\$16,149

	State	Federal	Earmarked	Restricted	Total
Position Title: Program Coordinator 1					
(a) Number of FTEs	15.60				15.60
(b) Personal Service	\$561,712				\$561,712
(c) Employer Contributions	\$179,748				\$179,748

(26) FTEs in Program Area per FY 2006-07 Appropriation Act:

State 792.76

Federal 410.85

Other 210.36

Agency-wide Vacant FTEs as of July 31, 2006: 777.70 % Vacant 15.8%

(27) Other Comments:

B. Priority No. 9 of 19

(28) (1) Title: **Air Quality Improvement – Mobile Sources and Other Non-Major Industrial Sources**

(5) Summary Description: This request is for a total of **\$1,251,047** with \$1,101,047 in recurring and \$150,000 in non-recurring funds. The regulatory program in SC has done an excellent job addressing air pollution that comes from major industrial sources but over half of the air pollution in SC comes from sources other than those regulated. These sources include mobile sources and other non-regulated sources of air toxics. One of the agency's goals is to ensure that air is safe to breathe for adults, children, the elderly and people with chronic respiratory illnesses. Air pollution aggravates some conditions such as acute respiratory infection and cardiovascular diseases and is a contributor to a lowering of quality of life in general. High levels of ground-level ozone negatively impact persons with asthma and respiratory conditions. In 2000, 281,000 SC citizens suffered from asthma and over 5,000 hospital admissions related to asthma and other respiratory conditions were reported as the leading cause of hospitalization for children under the age of 18.

The US Environmental Protection Agency has set National Ambient Air Quality Standards to protect public health and the environment. Areas designated non-attainment have to implement mandatory, prescriptive federal measurements including additional requirements for permitting, and have to ensure that future transportation projects don't negatively impact an area's ability to meet the national air quality standards. Several areas of the state no longer meet or are very near not meeting national standards for Ozone and/or Particulate Matter 2.5 (PM2.5). In 2004, one area of the state was designated as non-attainment for the 8-hour ground-level ozone standard and the Upstate and Midlands received a deferred effective non-attainment date. For these areas, in order to maintain the deferred non-attainment date, the state must implement control measures needed so that the area meets the standard in 2007. **If the ozone standard is not met by 2007, the non-attainment designation becomes effective and all of the prescriptive, mandatory federal measures have to be implemented.**

DHEC requests funds to support plans to return to attainment by 2007 so that SC citizens have cleaner air sooner than required and **economic development is not impacted.** In addition, for the area that has been designated as non-attainment, the state has to implement control strategies and demonstrate that the area will return to attainment by 2010. Studies and data show that more than half of all man-made air pollution in the state is created by mobile sources (on road and off road) and yet there are not resources to develop a program to control these emissions and help these areas meet the national air quality standards. Further, the state needs to design and implement a statewide program that reduces hazardous air pollutants (HAP's). These are pollutants that are known or suspected to cause cancer or other serious health effects, such as birth defects. Funding is needed to implement an Area Source/Urban Air Toxics program as outlined by the Clean Air Act Amendments of 1990, Title III, Section 112(k) to address Air Toxics. The program is expected to affect approximately 5,000 facilities with a significant amount being small businesses (approximately 70%). Extensive technical assistance and outreach activities will be needed in addition to reviewing compliance plans and conducting inspections.

(29) Strategic Goal/Action Plan (if applicable): This request supports the agency's broad goal: *Protect, enhance and sustain environmental and coastal resources* and is highlighted in the agency's 2005-2006 Annual Accountability Report on pages 3, 4, 7, and in III.7.2.

(30) Budget Program Number and Name: II.C – Air Quality Improvement

(31) Agency Activity Number and Name: 957 – Air Quality Improvement

(32) Detailed Justification for Funding:

(33) Justification for Funding Increase: Funding for this request is needed to meet the agency's broad goal to: *Protect, enhance and sustain environmental and coastal resources*. This request is a new initiative due to **more stringent national air quality standards implemented by EPA** with more emphasis on compliance at the local community level. DHEC needs to foster a public-private partnerships with environmental groups, industry, local governments and other state agencies to develop plans which will delay non-attainment designations if proper demonstration can be made to show proactive measures will provide cleaner air sooner. New initiatives and incentives are needed to encourage cleaner cars, diesel retrofits, truck stop electrification, etc. DHEC does receive a federal grant to administer portions of the air program in South Carolina; however, the grant does not provide sufficient funding to address the new activities encompassed by this request, particularly mobile source related activities. Fees collected through industrial permits are restricted by state and federal law and are not intended for use of these initiatives. Further, without additional funding, the EPA will be responsible for implementing the 112(k) requirements for non-major sources.

(34)

FY 2007-08 Cost Estimates:	State Non-Recurring Funds	State Recurring Funds	Federal	Other	Total
Personnel:					
(a) Number of FTEs*		19.00			19.00
(b) Salary		\$694,884			\$694,884
(c) Fringe Benefits		\$222,363			\$222,363
Program/Case Services					\$ 0
Pass-Through Funds					\$ 0
Other Operating Expenses	\$150,000	\$183,800			\$333,800

Total	\$150,000	\$1,101,047	\$ 0	\$ 0	\$1,251,047
<i>* If new FTEs are needed, please complete Section G (Detailed Justification for FTEs) below.</i>					

(35) Base Appropriation:

State	\$903,487
Federal	\$2,641,402
Other	\$9,563,515

(4) Is this priority associated with a Capital Budget Priority? No If so, state Capital Budget Priority Number and Project Name:
_____.

(36) Detailed Justification for FTEs

(37) Justification for New FTEs

(38) Justification: To accomplish this task, a total of 19 new positions are needed. These positions would work to foster partnerships and linkages with local agencies, organization and community members to develop appropriate community-based voluntary compliance initiatives, provide administrative and technical assistance, perform modeling that would be used to demonstrate early compliance.

(39) Future Impact on Operating Expenses or Facility Requirements: If this request is fully funded, no currently known additional operating funds will be needed in the future.

(40) Position Details:

	State	Federal	Earmarked	Restricted	Total
Position Title: Environmental Health Manager I					
(a) Number of FTEs	4.00				4.00
(b) Salary	\$129,972				\$129,972
(c) Fringe Benefits	\$41,591				\$41,591

	State	Federal	Earmarked	Restricted	Total
Position Title: Environmental Health Manager II					
(a) Number of FTEs	8.00				8.00
(b) Salary	\$316,320				\$316,320
(c) Fringe Benefits	\$101,222				\$101,222

	State	Federal	Earmarked	Restricted	Total
Position Title: Engineer/Environmental Engineer Associate II					
(a) Number of FTEs	2.00				2.00
(b) Salary	\$79,080				\$79,080
(c) Fringe Benefits	\$25,306				\$25,306

	State	Federal	Earmarked	Restricted	Total
Position Title: Program Coordinator I					
(a) Number of FTEs	5.00				5.00
(b) Salary	\$169,512				\$169,512
(c) Fringe Benefits	\$54,244				\$54,244

(41) FTEs in Program Area per FY 2006-07 Appropriation Act:

State 19.26
Federal 26.91
Other 224.31

Agency-wide Vacant FTEs as of July 31, 2006: 777.70 % Vacant 15.8%

(42) Other Comments: The regulatory program in SC has done an excellent job addressing air pollution that comes from major industrial sources. The funds requested will allow an effective effort for addressing pollution from mobile sources (both on and off road) and industrial sources that have not yet been addressed. The effort will be primarily compliance assistance focused.

Update of Beachfront Storm Damage Reduction Plans

(43) Priority No. 10 of 19

(44) (1) Title: **Update of Beachfront Storm Damage Reduction Plans**

(45) Summary Description: The agency is requesting a total of **\$1,420,000** with \$1,345,372 in non-recurring funds to be administered to beachfront communities and \$74,628 in recurring funds for a FTE position and operating expenses to manage this initiative. This funding will be provided to beachfront communities with state-approved beachfront management plans to update the Forty Year Retreat Strategy and the Post Disaster Recovery components of their beachfront management plans in accordance with Section 48-39-350(A), S.C. Code of Laws, and to update the State Beachfront Management Plan (Section 48-39-350(B)). The purpose is four-fold: (a) to anticipate landward movement of the shoreline using historical erosional data and develop policies to address areas that will be affected by future landward movement and to reduce storm damage; (b) to develop a strategy considering different levels of damage or destruction from major storms and what types of rebuilding will be allowed consistent with state retreat policy; (c) to establish a system for post-disaster assessment and rebuilding allowed under state coastal management guidelines to include relocation and/or the inability to rebuild; and (d) to assist the local governments in removing any potential obstacles to navigation that could be shifted in a major storm and restrict navigation, if a need is identified.

(46) Strategic Goal/Action Plan (*if applicable*): This request supports the agency's broad goals to: *Increase support to and involvement by communities in developing healthy and environmentally sound communities* and *Protect, enhance, and sustain environmental and coastal resources* and is highlighted in the agency's 2005-2006 annual Accountability Report pages 6 & 9.

(47) Budget Program Number and Name: II B - Coastal Resource Improvement

(48) Agency Activity Number and Name: 954 – Coastal Resource Improvement

(49) Detailed Justification for Funding:

(50) Justification for Funding Increase: DHEC has responsibility for managing and protecting beaches and coastal resources for the use of all citizens. Part of this charge is to ensure local governments have adequate policies in place to address anticipated long-term shoreline retreat from erosion and coastal storms. Twelve coastal communities have state-approved beachfront management plans developed in the late 1980's and early 1990's. These plans, among other elements, address a retreat strategy as a part of a storm damage reduction effort and policies for rebuilding after damage from hurricanes. With the current increased intensity and frequency of tropical storms and hurricanes, increasing erosion rates in certain areas and the threat of sea level rise, these plans are sorely in need of being updated. The purpose of this initiative is to provide funding of approximately \$1.25 million to beachfront

communities with approved plans to update those plans and to update the state beachfront management plan at the same time. One FTE is requested to oversee the update of the state plan and to provide technical assistance to the local governments.

2)

FY 2007-08 Cost Estimates:	State Non-Recurring Funds	State Recurring Funds	Federal	Other	Total
Personnel:					
(a) Number of FTEs*		1.00			1.00
(b) Personal Service		\$40,000			\$40,000
(c) Employer Contributions		\$12,800			\$12,800
Program/Case Services					\$ 0
Pass-Through Funds	\$1,345,372				\$1,345,372
Other Operating Expenses		\$21,828			\$21,828
Total	\$1,345,372	\$74,628	\$ 0	\$ 0	\$1,420,000
<i>* If new FTEs are needed, please complete Section G (Detailed Justification for FTEs) below.</i>					

(51) Base Appropriation:

State	\$987,268
Federal	\$5,220,394
Other	\$1,577,245

(4) Is this priority associated with a Capital Budget Priority? No If yes, state Capital Budget Priority Number and Project Name: _____.

(52) Detailed Justification for FTEs

(53) Justification for New FTEs

(54) Justification: All filled FTE positions are currently experiencing heavy workloads associated with regulatory and planning programs. Vacant FTE positions are being filled to address existing staff shortages, primarily in the regulatory division and, as a result, no vacant FTE position will be available for this initiative. The requested FTE will be 100% funded from this appropriation. DHEC has requested recurring funding in anticipation of future personnel and operating costs needed to complete this initiative.

(b) Future Impact on Operating Expenses or Facility Requirements: Operating expenses have been included in recurring costs. No additional facility or space requirements are anticipated.

(2) Position Details:

	State	Federal	Earmarked	Restricted	Total
Position Title: Environmental Health Manager II					
(a) Number of FTEs	1.00				1.00
(b) Personal Service	\$40,000				\$40,000
(c) Employer Contributions	\$12,800				\$12,800

FTEs in Program Area per FY 2006-07 Appropriation Act:

State 17.23
Federal 36.35
Other 11.79

Agency-wide Vacant FTEs as of July 31, 2006: 777.70 % Vacant 15.8%

H. Other Comments:

Comprehensive Youth Tobacco Prevention and Cessation Program

B. Priority No. 11 of 19

C. (1) Title: **Comprehensive Youth Tobacco Prevention and Cessation Program**

(2) Summary Description: This request is for **\$2,000,000** in recurring funding. **This amount represents non-recurring funds that were approved in SFY 06-07. Because the need for these funds continue, funds are requested as recurring.** The following components are included:

• School Programs	\$252,000
• Youth Marketing	\$400,000
• Enforcement	\$200,000
• Community Programs	\$300,000
• Surveillance and Evaluation	\$148,000
• Smoking Quit Line	\$700,000

Comprehensive Tobacco Control Programs save lives and money. Tobacco use is a key risk factor in the three leading causes of death in the state and has a tremendous impact on the healthcare costs. Currently, **24.3% of SC adults smoke, the SC Youth Tobacco Survey results show that 24.4% (57,300) of the high school students in the state smoke, and 8,100 kids under age 18 become new daily smokers each year.** The proposed initiative involves elements of a Comprehensive Tobacco Control Program, namely Youth Tobacco Prevention and Smoking Cessation. These elements are detailed in Section F. With the full implementation of this program: it is expected that: adult smoking rates will decrease; youth smoking rates will decrease; more young people will never start smoking; and the state will realize tremendous financial savings in healthcare costs, particularly with Medicaid.

(3) Strategic Goal/Action Plan (*if applicable*): This request supports the following agency broad goals: *Increase support to and involvement by communities in developing healthy and environmentally sound communities; Improve the quality and years of life for all; and Eliminate health disparities* and is highlighted in the agency's 2005-2006 Annual Accountability Report on page 7.

D. Budget Program Number and Name: II E 3 – Family Health: Chronic Disease Prevention

E. Agency Activity Number and Name: 973 - Chronic Disease Prevention and 974: Youth Smoking Prevention

F. Detailed Justification for Funding:

(1) Justification for Funding Increase: Tobacco use is the number one most preventable cause of death and disease in South Carolina. It is a leading risk factor for the three leading causes of death in the state: cancer, heart disease and stroke. It is well established that comprehensive statewide tobacco prevention programs prompt sharp reductions in smoking levels among both adults and kids by both increasing the numbers who quit or cutback and reducing numbers who start or relapse. Measurements that will be used to evaluate the program's effectiveness include:

Prevention: Decrease youth prevalence rate of smoking from 24.4% to 22%, closer to the national average; b) Increase the average age of first use of tobacco products by students in grades 9-12 from 14 to 16; c) Increase by 3% the proportion of youth who report they will not try a cigarette soon; d) Decrease the proportion of students in grades 9-12 who think smoking is cool; e) Decrease the proportion of students in grades 9-12 who think that young people who smoke have more friends; f) Decrease by 3% the proportion of students in grades 9-12, never smokers, who are susceptible to smoking; g) Decrease the proportion of students in grades 9-12, current smokers, reporting they have been sold tobacco products by a retailer. Again, these decreases will be reflected by results from the Youth Tobacco Survey in the following year.

Cessation: Decrease the proportion of cigarette smoking during pregnancy from 13.1% to 10%. b) Decrease the average number of cigarettes smoked per day by SC adults, from 19.5 to 15. c) Increase the proportion of SC pregnant women who quit smoking during pregnancy from 40% to 50%. d) Increase the proportion SC adults who quit smoking from 45.7% to 55%. e) Decrease the proportion of SC adults aged 18 years and older who smoke cigarettes from 26.6% to 23%. f) Increase proportion of quit attempts during past 12 months, by SC adult smokers, from 53.6 to 60%. Appropriation for this program will allow for detailed and improved information to be included. These programs are administered by DHEC, with elements in collaboration with DAODAS, SLED and SDE.

Non-recurring funds in the amount of \$2 million were received in 2006-2007 for these efforts. **The agency is requesting that these funds be annualized** in the 2007-2008 budget in order to assure continuity of efforts. Due to the high percentage of youth smokers in SC (24.4% of high school students, above the national average of 21.7%), a youth smoking prevention program was launched with tobacco settlement dollars based on the *Best Practices for Comprehensive Tobacco Control Programs* and successful demonstration programs in other states. These programs are designed to impact the key indicators of youth smoking prevention as outlined in section 3.

This program integrates directly into the DHEC state-based comprehensive tobacco control program, which is also designed under the CDC's *Best Practices for Comprehensive Tobacco Control Programs*. Comprehensive Tobacco Control Programs involve nine elements, three of which are funded by federal CDC dollars in SC. However, the individual components must work together to provide the synergistic effects of a comprehensive program. State funding is required to implement the other six elements.

The Youth Smoking Prevention and Cessation program is high priority because **smoking is the leading cause of preventable death and disease in SC**. A high percentage of our youth are smoking and the age at which new smokers are experimenting continues to get younger and younger.

There are no other defined resources to fund these programs, except for those allocated during the state FY 2006-2007 budget. CDC funds are received for the other three components of a Comprehensive Tobacco Prevention and Control Program and are not available for these efforts.

Current resources are not available for a comprehensive youth smoking prevention program, as these resources are generated from federal grants and are committed to activities that meet specific deliverables of these grants. Matching state funds are required for the federal dollars, including an additional match for state Quitline services.

Youth Tobacco Prevention

CDC recommends nine elements for a Comprehensive Tobacco Prevention and Control Program. Six of these elements are key to SC's youth prevention and cessation efforts and include school programs, youth movement and marketing, enforcement, community programs, surveillance/evaluation, and cessation programs. DHEC's Youth Smoking Prevention Program would contain these elements outlined in the following ways:

School Programs: Because most people who start smoking are younger than 18, programs that prevent the onset of smoking during the school years are key parts of a comprehensive tobacco prevention program. Funding recommendations represent two main strategies; tobacco-free policies (\$52,000 and evidence-based curricula (\$200,000). Total request for School Programs: \$252,000

Youth Movement and Marketing (Countermarketing): Countermarketing strategies can promote smoking cessation and decrease the likelihood of initiation. SC's Countermarketing efforts center on the Rage Against the Haze Youth Empowerment Movement against tobacco use. The movement has many components, including media messages, websites, training, statewide events, and incentives. Total request for Marketing: \$400,000

Enforcement: Enforcement of tobacco control policies enhances their efficacy both by deterring violators and by sending a message to the public that the community leadership believes the policies are important. Two components of reducing illegal sales of tobacco to minors include enforcement of laws that restrict tobacco sales to minors and educating merchants, such as the new Youth Access to Tobacco Prevention Act of 2006, and the Youth Access to Tobacco Survey (Synar survey). Total request for enforcement: \$200,000

Community Programs (Personnel): Community programs help achieve the individual behavior change that supports the nonuse of tobacco by changing the knowledge, attitudes, and practices of young people, tobacco users, and nonusers. DHEC eight regional health education staff carries out these programs in local communities (.5 FTE per region and fringe [\$138,784, salary with \$44,411 in fringe], \$39,000 travel [\$4,875 per region], \$17,808 supplies [\$2,226 per Region]). Additionally, support of the Mothers Eliminating Secondhand Smoke (MESS) campaign (\$50,000) will provide for the continued growth and continuity of the program. Additional administrative costs associated with the staffing will be \$9,997. Total request for Community Programs: \$300,000 to allocate to the eight health regions.

Surveillance and Evaluation: A comprehensive tobacco control program must have a surveillance and evaluation system that can monitor and document program accountability for those responsible for fiscal oversight. Total request for surveillance and evaluation: \$148,000

Cessation Programs: Programs that successfully assist young and adult smokers in quitting can produce a quicker and larger short-term public health benefit than any other component of a comprehensive program. Best practice science supports telephone-based counseling, over and above traditional cessation classes and other support groups, as both cost-effective and outcome-based in helping smokers quit. These dollars provide a required match to CDC for enhanced quitline supplemental services. Additionally, it provides the resource in the community to address violators of the Youth Access to Tobacco Prevention Act of 2006. Total request for cessation: \$700,000

(2)

FY 2007-08 Cost Estimates:	State Non-Recurring Funds	State Recurring Funds	Federal	Other	Total
Personnel:			(Currently available)		
(a) Number of FTEs*		4.00			4.00
(b) Salary		\$138,784			\$138,784
(c) Employer Contributions		\$44,411			\$44,411
Program/Case Services					\$ 0
Pass-Through Funds		0			\$ 0
Other Operating Expenses		\$1,816,805			\$1,816,805
Total		\$2,000,000		\$ 0	\$2,000,000
<i>* If new FTEs are needed, please complete Section F (Detailed Justification for FTEs) below.</i>					

(3)

Base Appropriation:

State	\$1,512,234
Federal	\$5,392,008
Other	\$70,376

(4)

Is this priority associated with a Capital Budget Priority? No. If so, state Capital Budget Priority Number and Project Name:

G. Detailed Justification for FTEs

(1) Justification for New FTEs:

(a) Community programs help achieve the individual behavior change that supports the nonuse of tobacco by changing the knowledge, attitudes, and practices of young people, tobacco users, and nonusers. Health Educators at the Regional level enhance the number and quality of programs that reach citizens in their own communities, thereby increasing their ownership of such programs. Local staff also enable to most up-to-date information regarding tobacco use, community resources and voluntary policy adoption to be available for those who seek it.

(b) Future Impact on Operating Expenses or Facility Requirements: If this request is fully funded, no currently known additional operating funds will be needed in the future.

(2) Position Details:

	State	Federal	Earmarked	Restricted	Total
Position Title: Health Educator 2, EB96					
(a) Number of FTEs	4.00	0.00			4.00
(b) Salary	\$138,784				\$138,784
(c) Fringe Benefits	\$44,411				\$44,411

(3) FTEs in Program Area per FY 2006-07 Appropriation Act:

State	25.94
Federal	14.86
Other	.04

Agency-wide Vacant FTEs as of July 31, 2006: 777.70 % Vacant 15.8%

H. Other Comments: By prompting current adult and youth smokers to quit, helping former smokers from relapsing, and getting thousands of kids to never start smoking, state tobacco prevention and cessation programs lock in enormous savings over the lifetimes of each person stopped from smoking. **Put simply, the lifetime healthcare costs of smokers total at least \$16,000 more than non-smokers. That means that for every 1,000 kids that are kept from smoking by a state program, future healthcare costs in the state decline by roughly \$16 million, and for every 1,000 adults prompted to quit future health costs drop by roughly \$8.5 million.** Sustainable funds in three other states have shown remarkable cost savings for the investment. In California, for every dollar that the state has spent on its tobacco prevention program, it has reduced statewide healthcare costs by \$3.60, with reductions in other smoking-caused costs saving another six dollars or more. Between 1990-1998, California saved an estimated \$8.4 billion in overall smoking-caused costs and more than \$3 billion in smoking-caused healthcare costs. In Massachusetts, a report by an economist with MIT found that its funded and sustained program reduced its statewide healthcare costs by \$85 million per year—a reduction of two dollars for every one-dollar it invested in its comprehensive tobacco prevention effort. Finally, Florida's tobacco pilot program showed impressive results in reductions in youth

smoking, down 18% in middle school and 8% in high school students. These trends have completely stopped or even reversed among middle schoolers and lower grades due to funding cuts to the tobacco control program.

AIDS Drug Assistance Program (ADAP)

B. Priority No. 12 of 19

C. (1) Title: AIDS Drug Assistance Program (ADAP)

(2) Summary Description: This request is for **\$5,000,000** in recurring funds for South Carolina's AIDS Drug Assistance Program (ADAP) which provides life-saving medications and health insurance co-pays/premiums to over 3,000 low income, uninsured and underinsured persons with HIV across the state. **HIV/AIDS is affecting the state in epidemic proportions, which is causing a crisis in the ADAP Program.** Funds are requested to meet growing demand and **avoid a wait list** in FY08.

(3) Strategic Goal/Action Plan (*if applicable*): This activity supports DHEC's broad goals to: *Increase support to and involvement by communities in developing healthy and environmentally sound communities; Improve the quality and years of health for all; and Eliminate health disparities* and includes the following outcome: *Increase the proportion of minority HIV infected and high-risk persons receiving appropriate prevention, referral and care/treatment services.* This request is highlighted in the agency's 2005-2006 Annual Accountability Report on page 6 and in III.7.2.

D. Budget Program Number and Name: II E 1 – Family Health: Infectious Disease

E. Agency Activity Number and Name: 967 - Infectious Disease Prevention – Surveillance, Investigation and Control Program

E. Detailed Justification for Funding:

(1) Justification for Funding Increase:

(a) DHEC's ADAP (the AIDS Drug Assistance Program) provides life-saving standard of care **medications to persons with no other resources. This program allows patients to keep jobs longer and support themselves,** potentially slowing the need for Medicaid insurance. It also prevents unnecessary hospital stays and medical bills and decreases the use of hospice or other expensive care.

Eligible clients may receive pharmaceuticals by mail through a central pharmacy at DHEC; clients with health insurance may obtain assistance with either co-pays or premium costs. The state's ADAP is one of the most cost-efficient programs in the country, leveraging public resources to maximize the use of private funds, and reaching more clients. However, both the increasing cost of pharmaceuticals and number of persons living with HIV combined with level federal funds resulted in the creation of a wait list for new patients needing medications, and other cost containment measures in June 2006 in order to ensure sufficient funds for currently served patients. The expected outcomes of ensuring early access to HIV medications through ADAP include decreases in mortality to HIV-related illness, preventing or slowing hospitalization rates, and preventing increases in Medicaid enrollment.

(b) ADAP's monthly cost for providing HIV treatment drugs is averaging \$1.3 million and is projected to cost over \$1.6 million by the end of June 2008, for an estimated annual cost of \$19.2 million (excludes estimated increase of \$.2 million in insurance program costs and increases in operating expenses). Current FY06 state, federal and other resources for ADAP medications are \$14.2 million. Assuming level funding, a minimum of \$5 million is needed in FY08 to avoid a wait list and ensure access to both the insurance and central pharmacy programs. [$\$1.6 \text{ M} \times 12 = \$19.2\text{M} - \$14.2\text{M} = \5M]

(c) By federal requirements, Ryan White funds are the payer of last resort. Therefore, SC ADAP staff link closely with Medicaid ensuring all clients who are enrolled in Medicaid are removed from ADAP services; the program also requests Medicaid payment for clients receiving ADAP services while seeking enrollment to Medicaid. The program actively seeks pharmaceutical rebates for clients on the insurance program.

(d) **Economic costs of HIV to South Carolina are astronomic:** In 2002, **\$151million was expended in direct care costs;** hospitalizations were the greatest proportion of expenditures (48%) **and Medicaid paid largest percent** of hospitalization charges (43%). The disease impacts young adults in most productive earning years; cost estimates for South Carolina indicate that there are **over \$5.7 billion in foregone earnings**, nearly \$.5million per person.

Receiving HIV care and treatment services early in the disease process will help prevent more costly hospitalizations and help reduce need for Medicaid insurance. HIV medications are highly effective in preventing additional infections, such as pneumonia, which are more costly to treat. HIV medications also significantly lower viral load resulting in lowered likelihood of transmission of HIV to others. **Over 130 persons are on the wait list since initiated June 15, 2006; a growing wait list** means less patients will have timely access to medications.

(e) The primary funding source for ADAP is the federal formula grant, Ryan White CARE Act, Title II. Other sources of funds include state and other funds from pharmaceutical rebates.

(f) There are no other program funds available to support ADAP. Additional funding for ADAP is the lowest cost alternative for providing access to HIV medications for eligible persons and is the payer of last resort. DHEC obtains the lowest drug pricing through its direct purchasing of drugs and obtains negotiated rates through the national ADAP Advisory Task Force.

(2)

FY 2007-08 Cost Estimates:	State Non-Recurring Funds	State Recurring Funds	Federal	Other	Total
Personnel:					
(a) Number of FTEs*	0.00				0.00
(b) Personal Service					\$ 0
(c) Employer Contributions					\$ 0
Program/Case Services		\$5,000,000			\$ 5,000,000
Pass-Through Funds					\$ 0
Other Operating Expenses					\$ 0
Total		\$5,000,000	\$ 0	\$ 0	\$5,000,000
<i>* If new FTEs are needed, please complete Section G (Detailed Justification for FTEs) below.</i>					

(3) Base Appropriation:

State	\$12,053,353
Federal	\$50,248,209
Other	\$3,628,312

(4) Is this priority associated with a Capital Budget Priority? No. If yes, state Capital Budget Priority Number and Project Name:

_____.

G. Detailed Justification for FTEs: None Needed

FTE's in Program Area per FY2006-07 Appropriation Act:

State	150.80
Federal	105.45
Other	56.14

Agency – wide Vacant FTE's as of July 31, 2006: 777.70 % Vacant 15.80%

Hospital Infections Reporting

B. Priority No. 13 of 19

C. (1) Title: **Hospital Infections Report**

(2) Summary Description: This request is for a total of **\$276,245** which includes \$271,745 in recurring funds and \$4,500 in non-recurring funds for implementation of the Hospital Infections Disclosure Act 44-7-2410-2460 (S 1318). DHEC is mandated to implement this act requiring all hospitals to collect data and submit reports on their hospital-acquired infection rates to the agency and to establish an advisory committee to assure patient privacy, to provide for publication of these reports, to check accuracy and completeness of these reports, and to provide that compliance with this article is a condition of hospital licensure.

(3) Strategic Goal/Action Plan (*if applicable*): This request is supported in the agency's broad goal to: *Improve the quality and years of healthy life for all.*

D. Budget Program Number and Name: (New)

E. Agency Activity Number and Name: Hospital Infections Disclosure Act (New)

F. Detailed Justification for Funding:

Justification for Funding Increase:

(a) The funding is essential to permit DHEC to implement this Act as ordered by the General Assembly. **There is no program, budget or funding associated with these activities and requirements currently assigned to DHEC.** The funding will provide staff and resources required to convene an Advisory Committee: to notify and train hospitals in the required reporting methods; to test and validate the reporting methods; to validate the completeness and accuracy of these reports from hospitals; to coordinate with the Centers for Disease Control and Prevention (CDC) to provide interpretations and comparisons of these reports in language that is understandable; and to publish the reports for distribution to the public and the General Assembly. The expected outcomes will be reports that are of excellent quality and completely reliable and decreasing rates of hospital-acquired infections over the first several years of the project, which is expected in turn to contribute to decreasing numbers of illnesses and deaths and overall reductions in hospital costs. The two formal evaluation measures will be the percent of hospitals submitting satisfactory reports annually and the reductions in infection rates over the first 3-4 years of the program.

This program has no base funding. What will be accomplished with the requested funds is outlined above.

(b) Currently, there is no closely related state program. It does complement the current DHEC Careful Antibiotic Use program to train

health providers in choosing antibiotics more carefully to reduce rates of resistance to antibiotics in bacteria, which has been funded by the CDC.

(c) This program is considered a high priority because hospital-acquired infections cause thousands of extra hospital days, sicken people every year, cause unnecessary deaths, and have been shown to cause substantially increased numbers of days of hospital stays and increase hospital costs. Furthermore, the majority of such infections are preventable. This program is mandated by the legislature through 44-7-2410 et seq. (e) There is no other funding. The program is mandated by statute as in “d” above. (f) There are no other funds allocated to DHEC for these purposes.

(2)

FY 2007-08 Cost Estimates:	State Non- Recurring Funds	State Recurring Funds	Federal	Other	Total
Personnel:					
(a) Number of FTEs*		3.25			3.25
(b) Personal Service		\$175,000			\$175,000
(c) Employer Contributions		\$56,000			\$56,000
Program/Case Services					\$ 0
Pass-Through Funds					\$ 0
Other Operating Expenses	\$4,500	\$40,745			\$45,245
Total	\$ 4,500	\$271,745	\$ 0	\$ 0	\$276,245
<i>* If new FTEs are needed, please complete Section G (Detailed Justification for FTEs) below.</i>					

(3) Base Appropriation:

State \$ None
Federal \$ None
Other \$ None

(4) Is this priority associated with a Capital Budget Priority? No If yes, state Capital Budget Priority Number and Project Name: _____.

G. Detailed Justification for FTEs

(1) Justification for New FTEs

(a) Justification: The requested 3.25 positions are needed to carry out the work required by the Hospital Infections Disclosure Act. There are currently no persons at DHEC or any other state agency doing this work. The nurse administrator is needed: to lead and manage the program; to chair the Advisory Committee; to plan and lead the training of all sixty-five hospitals in the state mandated to gather and supply these very complex data; to manage the program to measure the completeness and accuracy of these data; and to plan and lead the analysis and interpretation of the data to assure they are developed in understandable language for the public. The epidemiologist/statistician must collate and analyze these data and interpret them, and then compare them to similar data from other states which are also implementing this program. The program coordinator will be responsible for the mandated quality assurance process of sampling patients' charts in representative hospitals and ensuring that the data that is reported is complete and accurate. Managing and analyzing all these data will require the use and application of appropriate technology which the applications analyst will develop and maintain. None of these positions were included in the 06-07-appropriation process because of the very rapid passage of Bill S1318.

(b) Future Impact on Operating Expenses or Facility Requirements: If this request is fully funded, no currently known additional operating funds will be needed in the future.

(2) Position Details:

	State	Federal	Earmarked	Restricted	Total
Position Title: Nurse-Administrator II					
(a) Number of FTEs	1.00				1.00
(b) Personal Service	60,000				60,000
(c) Employer Contributions	19,200				19,200

	State	Federal	Earmarked	Restricted	Total
Position Title: Statistician III					
(a) Number of FTEs	1.00				1.00
(b) Personal Service	50,000				50,000
(c) Employer Contributions	16,000				16,000

	State	Federal	Earmarked	Restricted	Total
Position Title: Program Coordinator II					
(a) Number of FTEs	1.00				1.00
(b) Personal Service	55,000				50,000
(c) Employer Contributions	17,600				17,600

	State	Federal	Earmarked	Restricted	Total
Position Title: Application Analyst II					
(a) Number of FTEs	0.25				0.25
(b) Personal Service	15,000				15,000
(c) Employer Contributions	3,200				3,200

(3) FTEs in Program Area per FY 2006-07 Appropriation Act:

State None
Federal None
Other None

Agency-wide Vacant FTEs as of July 31, 2006: 777.70 % Vacant 15.8%

H. Other Comments:

Healthy Children in Healthy Communities

B. Priority No. 14 of 19

(1) Title: **Healthy Children in Healthy Communities (Childhood Obesity Program)**

- C. (2) Summary Description: This request is for a total of **\$763,025** which includes \$724,625 in recurring funds and \$38,400 in non-recurring funds to support a pilot project in one DHEC health region to address the prevention and control of childhood obesity. This intervention will provide for two intervention teams that will target two school districts, Lee and Marion 7, thereby addressing 5 elementary schools and approximately 1,700 children, grades K-5. Evaluation of this pilot project will be used to guide further implementation statewide.

The prevalence of obesity among children and adolescents is growing at an alarming rate. This epidemic has been called **America's single biggest health problem**, according to the former U.S. Surgeon General Richard Carmona. In South Carolina's younger citizens, 25% of high school students and 25% percent low-income children, ages 2-5, are overweight or at risk of overweight.

Funding is needed to establish multi-disciplinary teams to provide proven interventions to address obesity risk factors of poor nutrition and physical inactivity. Activities will occur in school districts that have been identified as being most in need as evidenced by a disparate level of low academic scores, high poverty rates, and high rates of morbidity and mortality due to chronic diseases. These teams will work within the school and community to impact the health of children in grades K-5. Since habits and preferences established in these early years set the pattern for lifelong behaviors, improving nutrition and increasing physical activity in this population is critical to establishing and maintaining healthy weight in children. The interventions will target children's health through skill-building, promoting changes in the home environment, promoting changes in the school environment, as well as promoting changes in the community environment resulting in a comprehensive approach to address childhood obesity.

3) Strategic Goal/Action Plan (if applicable): This request supports the agency's goals to: *Improve the Quality and Years of Healthy Life for All* and *Eliminate Health Disparities* and is highlighted in the agency's 2005-2006 Annual Accountability Report on page 6.

D. Budget Program Number and Name: II E 3 Family Health: Chronic Disease Prevention

E. Agency Activity Number and Name: New

F. Detailed Justification for Funding:

(1) Justification for Funding Increase: Obesity is a complex condition and requires a comprehensive approach to address all aspects of where South Carolinians live, work, and play. This is critical to establishing an environment that is supportive of healthy nutrition and

physical activity behaviors. Given the magnitude of the obesity epidemic, traditional approaches solely targeting individuals cannot alone meet the challenges of obesity. While proven approaches targeting children are essential, these efforts are most effective if they are complimented with environmental and policy initiatives that support sustainable behavioral change across the community. In addition, since many life long habits are formed during childhood, research indicates that it is critical to begin interventions targeting healthy eating and physical activity at an early age. As such, interventions and programs addressing healthy lifestyle behaviors in children that involve the child, home, school and community must be implemented if the obesity epidemic is to be reversed and the associated health and economic implications are to be curbed.

The cost of not investing in our children will result in shortened life span, higher chronic disease rates, reduced quality of life, increased burden to our health care system, and increased costs to taxpayers. **The state is facing the real possibility of having a generation of children whose life expectancy is shorter than their parents and where 1 in 3 children born in 2000 will develop diabetes. In SC, \$1.06 billion is already being spent on obesity related medical costs each year, with approximately 50% of these expenditures being from taxpayer dollars.**

There has been recognition of the critical need to address childhood obesity in South Carolina:

- In 1999, SC Legislature commissioned a study on the impact of obesity. Conclusions stated:
 - Future work is needed on interventions that are effective for SC's populations.
 - There is a lack of resources available to at-risk populations.
 - There is a need for implementation of statewide obesity prevention interventions targeting children.

No state funding was provided as a result of this report.

- In 2004, a State Department of Education Task Force developed Recommendations for Improving Student Nutrition and Physical Activity.
- In 2005, a statewide obesity strategic plan, "Moving South Carolina Towards a Healthy Weight: Promoting Healthy Lifestyles and Healthy Communities," was released. The South Carolina Coalition for Obesity Prevention Efforts is working to implement this plan, however there is no state funding to support implementation.
- In 2005, the SC Student Health and Fitness Act was passed.

The most effective approach to having healthy children in South Carolina is to recognize the complex, interwoven relationship that exists between the child, the family unit, the school and the surrounding community. This relationship is clearly documented in South Carolina's obesity strategic plan that outlines comprehensive objectives and strategies to effectively address all facets of this relationship. The activities in this pilot project are designed to support the objectives in this state obesity plan. As such, this pilot project will provide interventions in two school districts most in need, as determined by academic scores, poverty levels and health measures. Multi-disciplinary teams will support and promote the creation and implementation of sound practices to address the obesity risk factors of excess calories and physical inactivity. Efforts will focus on the health of children in grades K-5 and use evidence-based programs and interventions targeting the school environment, the home environment and the surrounding community environment.

Teams will consist of a health educator, with expertise in physical activity, a registered dietitian, and a social worker, as these professions are optimally qualified for obesity risk reduction efforts. A regional project coordinator will function to coordinate the multi-disciplinary teams as well as to initiate and facilitate communities coming together in a process of identifying and prioritizing needs in that local community. This process is time-consuming, yet it results in an increase of collaboration and use of community resources in a community. This is critical if efforts to create healthy children and healthy communities are to be successful. A thorough evaluation of this demonstration project is needed to identify the data and information necessary to monitor the impact and success of these efforts.

These teams will impact childhood obesity on multiple fronts:

(a) Assess, Identify, and Intervene: Teams will assess and screen children to identify behaviors that can lead to obesity along with identifying children that are already overweight or obese. This information will be used to implement programs and evidence based interventions:

- For children that are at high risk for becoming overweight or obese, the *We Can!* Program can be used to educate children and families on making healthy nutrition and physical activity choices to prevent obesity. The *We Can!* is a national education program designed for parents and caregivers to help children 8-13 years old stay at a healthy weight. Parents and caregivers are the primary influencers for this age group. *We Can!* offers parents and families tips and fun activities to encourage healthy eating, increase physical activity and reduce sedentary or screen time. It also offers community groups and health professionals exciting resources to implement programs and fun activities for parents and youth in communities.
- Children who are found to be overweight or obese will be referred to a program specifically designed to educate the child and family on sound practices to prevent additional weight gain. *Project Fit Kids* addresses nutrition, behavior modification, physical activity through education, grocery store tours, and fun physical activity opportunities within a community.

(b) Early Prevention: Nutrition and physical activity are essential for adequate growth, development, and learning. Addressing healthy lifestyle behaviors at an early age is critical to reversing staggering obesity trends. These teams will also use the *Color Me Healthy* preschool curriculum. This curriculum is designed to reach children 4-5 years old through interactive learning opportunities focusing on the importance of healthy eating habits and physical activity. Components of the curriculum are designed to be fun, interactive, and stimulating to the children's imagination, with a focus on increasing a child's willingness to try new foods, and establishing that physical activity can be fun. This curriculum, which is based on proven and effective strategies will reach parents and teachers and will be made available for implementation in any childcare center in these select health regions that is not already using the program.

(c) Support and Partnership with Schools and Surrounding Community: A strong partnership between the local DHEC region, the local public school districts, the Central Office at DHEC, and the State Department of Education will be key to achieving the objectives of this pilot. Components include:

- Schools - Changing the policies, practices, and physical environment of a school are important to support behavior change. The efforts of the teams will serve to support and provide technical assistance (public health expertise) and to be involved in monitoring and evaluating current and future efforts being implemented within the school system and:
 - Will support implementation of Act 102, the "Student Health and Fitness Act" – this will be a close partnership with the

school staff to assist in making schools supportive of healthy children;

➤ Assist in implementing the federally mandated school wellness policies as these policies define how a school will be supportive of healthy nutrition and physical activity; and

➤ Facilitate the use of the School Health Index assessment tool for schools to develop an action plan to address priority health issues.

- Community - Teams will collaborate with community leaders and organizations to create communities supportive of healthy physical activity and nutrition behaviors. Communities, outside of the schools, need to have environments that support healthy behaviors, which will reinforce the obesity, related risk factors being addressed in schools. Activities include efforts to:

➤ Assess the resources and supports within a community to help in identifying needs and opportunities to create healthier communities, such as through linking a local parks and recreation center with a school to provide after school programming; and

➤ Work with community partners to establish a referral system for children in need of educational programs and/or medical treatment to address overweight or obesity. It is critical to build a system within the community to meet the needs of these children. This will involve working with local health care professionals and community resources to identify services and programs that can provide children and their families with the skills and education needed to establish healthy lifestyles.

(d) Health Awareness Campaign: A health awareness campaign is a necessary component of a comprehensive intervention to address obesity. An awareness campaign needs to be developed based on the specific needs of a target population with the goal to promote positive behavior changes to impact obesity and other chronic diseases. Messages will be displayed in multiple avenues in the community, such as print media, billboards, television, radio, and posters to promote a consistent yet simple message of what a child and family can do to live a healthy lifestyle. These messages, coupled with the efforts in the schools and creation of healthy communities, will be a critical component of this comprehensive approach to impacting childhood obesity.

Funds requested include:

Operating costs will be needed to cover travel (\$250 per month for 7 employees= \$21,000), computers and office set up including software, furniture, printers, etc. computers 8 X \$1,500 = \$12,000, furniture \$1,000 X 8 = \$8,000, office supplies 7.5 X 250 = \$1,875, health awareness campaign = \$250,000. In addition, evaluation equipment for measuring height and weight of children is needed for a total of \$1,600. Materials and resources to support intervention objectives \$10,500 one-time and \$6,000 recurring, and training sessions for staff of \$6,300 one-time for two sessions and \$3,150 recurring. A contract will be written for the evaluation cost of the pilot project. That cost is expected to be \$25,000. Additional administrative and support costs for the new staff members are expected to be \$21,600. Total recurring operating is \$328,625. Total one time operating is \$38,400.

(2)

FY 2007-08 Cost Estimates:	State Non-Recurring Funds	State Recurring Funds	Federal	Other	Total
Personnel:					
(a) Number of FTEs*		7.50			7.50
(b) Salary		\$300,000			\$300,000
(c) Fringe Benefits		\$96,000			\$96,000
Program/Case Services		\$			
Pass-Through Funds					\$ 0
Other Operating Expenses	\$38,400	\$328,625			\$367,025
Total	\$38,400	\$724,625	\$ 0	\$ 0	\$763,025
<i>* If new FTEs are needed, please complete Section F (Detailed Justification for FTEs) below.</i>					

(2) Base Appropriation:

State	\$1,512,234
Federal	\$5,392,008
Other	\$70,376

(3) Is this priority associated with a Capital Budget Priority? No If so, state Capital Budget Priority Number and Project Name: _____.

G. Detailed Justification for FTEs

(1) Justification for New FTEs

(a) Justification: A Program Coordinator I position will function to serve as the local county health department coordinator whose role will be to coordinate efforts on the local level and to facilitate change within the community.

The two Health Educator positions will serve to provide the programming on the local level as relates to healthy physical activity behaviors, and dissemination and implementation of evidence based interventions.

The two Nutritionist III positions (Register Dieticians) will serve to provide the programming on the local level as relates to healthy eating behaviors, behavior modification and provision of evidence-based programs.

The two Social Worker positions will serve to provide the emotional support and counseling, based on the child's and family's needs, to effectively address obesity. The social workers will also play a critical role linking children in need to community services.

The 0.5 Administrative Specialist position is required in order to provide support for efforts on both the local level as well as the state level as this team will be interacting with a large number of partners, children, school personnel and families. Activities will include procurement, scheduling, coordination of efforts involving implementation, and evaluation of intervention activities.

(b) Future Impact on Operating Expenses or Facility Requirements: If this request is fully funded, no currently known additional operating funds will be needed in the future.

(2) Position Details:

	State	Federal	Earmarked	Restricted	Total
Position Title: Program Coordinator II					
(a) Number of FTEs	1.00				1.00
(b) Salary	\$45,000				\$45,000
(c) Fringe Benefits	\$14,400				\$14,400

	State	Federal	Earmarked	Restricted	Total
Position Title: Health Educator II					
(a) Number of FTEs	2.00				2.00
(b) Salary	\$70,000				\$70,000
(c) Fringe Benefits	\$22,400				\$22,400

	State	Federal	Earmarked	Restricted	Total
Position Title: Nutritionist III					
(a) Number of FTEs	2.00				2.00
(b) Salary	\$90,000				\$90,000
(c) Fringe Benefits	\$28,800				\$28,800

	State	Federal	Earmarked	Restricted	Total
Position Title: SW III					
(a) Number of FTEs	2.00				2.00
(b) Salary	\$84,000				\$84,000
(c) Fringe Benefits	\$26,880				\$26,880

	State	Federal	Earmarked	Restricted	Total
Position Title: Administrative Spec II					
(a) Number of FTEs	0.50				0.50
(b) Salary	\$11,000				\$11,000
(c) Fringe Benefits	\$3,520				\$3,520

(3) FTEs in Program Area per FY 2005-06 Appropriation Act:

State	25.94
Federal	14.86
Other	.04

Agency-wide Vacant FTEs as of July 31, 2005: 777.70 % Vacant 15.8%

H. Other Comments:

Interstate Cooperation Program

B. Priority No. 15 of 19

C. (1) Title: **Interstate Cooperation Program**

(2) Summary Description: This request is for a total of **\$756,077** with \$178,077 in recurring and \$578,000 in non-recurring funds. South Carolina is currently involved in evaluation and negotiation of water issues with Georgia on the **Savannah River Basin** and with North Carolina on the **Yadkin/Pee Basin** and the **Catawba/Wateree Basin**. New legislation (44-59 et.seq.) created the River Basins and Advisory Commissions, a study and advisory committee for each of these shared basins. With respect to the Savannah Basin, South Carolina is very dependent upon groundwater resources for drinking water and industrial growth. The state's coastal aquifer systems are being used to the point that most of the coastal plain has been declared as capacity use areas where groundwater withdrawals over 3 million gallons in any month must be permitted to ensure reasonable use. **Salt water intrusion on Hilton Head Island is threatening to render the upper Floridan aquifer useless as a drinking water supply.** Increased and dedicated monitoring of water levels in our major drinking water aquifers and saltwater movement in the Lowcountry is critical to South Carolina's ability to preserve our groundwater supplies for all users. The task of providing technical support and attending the numerous upcoming meetings fall upon this agency and additional resources are needed.

The Upper Floridan aquifer underlies all of Florida, most of the Georgia Coastal Plain, and large parts of coastal South Carolina. The state is very dependent upon groundwater resources for drinking water and industrial growth. Coastal aquifer systems are being used to the point that most of the coastal plain has been declared as capacity use area where groundwater withdrawals over 3 million gallons in any month must be permitted to ensure reasonable use. The aquifer has served as the primary source of water supply in the Savannah, GA, Hilton Head Island, SC, area, since the late 19th century. By the early 1990's, the combined demand for groundwater at Savannah and Hilton Head Island had exceeded 100 million gallons per day (Mgal/d). This pumping has caused saltwater intrusion on Hilton Head Island and also downward movement of saltwater that has the potential of contaminating this valuable and heavily used water supply. An investigation is needed: (1) to better determine the current distribution, volume, and rate of the downward migration of saltwater through the upper confining unit into the Upper Floridan aquifer to the north, east, and southeast of Savannah, GA; (2) to determine how the downward migration of saltwater will mix with fresher water in the Upper Floridan aquifer and move inland toward pumping wells; and (3) to evaluate how changes in groundwater withdrawals will impact the rate of downward saltwater migration.

(3) Strategic Goal/Action Plan (*if applicable*): *This request supports the agency's broad goal to: Protect, enhance and sustain environmental and coastal resources* and is highlighted in the agency's 2005-2006 Accountability Report on page ??

D. Budget Program Number and Name: II A 2 – Water Quality Improvement – Water Management

E. Agency Activity Number and Name: 951 – Water Management – Drinking Water

F. Detailed Justification for Funding:

(1) Justification for Funding Increase: Funding for this program is needed to meet the broad goal to: *Protect, enhance and sustain environmental and coastal resources*. The Capacity Use Program has no associated federal or fee monies to support program efforts. Monitoring the status of our groundwater resources within designated capacity use areas is a necessary tool in proper management of our drinking water supplies and water used to for industrial agricultural uses. Dedicated agency resources are needed to determine the effect of department permits and conservation efforts implemented by the permittee in achieving management objectives. Also, given the critical nature of the saltwater plumes currently impacting the water supplies in the Upper Floridan aquifer in the Lowcountry area, and the millions of dollars that will ultimately be spent to deal with this contamination, expending state funds for a monitoring program is reasonable and necessary to protect the interests of South Carolina.

DHEC is charged through the Groundwater Use and Reporting Act to manage our groundwater resources so that they are used in a reasonable and beneficial manner. Therefore, DHEC issues permits that allow groundwater to be used to the fullest extent possible while ensuring that only the necessary amounts of water are being used, conservation measures are implemented, and that the long-term impacts to the resource is considered. Monitoring of actual water levels and chloride concentrations is the only way to accurately determine the effectiveness of these activities.

State funds would be used to provide one dedicated FTE to manage the capacity use area groundwater-monitoring network, maintain the network, download and analyze data, and produce reports. State funds would also be used to provide monitoring equipment to be used in monitoring wells to measure water levels and chloride concentrations.

The new legislation (44-59 et.seq.) establishing the River Basins Advisory Commissions with North Carolina committed DHEC as a technical resource for these committees. The burden of providing technical support to these committees was, in large part, tasked to DHEC. Data such as water use, industrial discharges, assimilative capacity, interbasin transfers, etc., will play a significant role in the Committees' discussions. DHEC participation will also be expected at these meetings. State funds are necessary to provide one FTE and associated operating monies for DHEC to provide personnel with the necessary expertise to provide the required information.

The Upper Floridan aquifer underlies all of Florida, most of the Georgia Coastal Plain, and large parts of coastal South Carolina and is composed primarily of carbonate rock with varying permeability. The aquifer has served as the primary source of water supply in the Savannah, GA, Hilton Head Island, SC, area, since the late 19th century. The first public supply wells were constructed in 1887 for municipal supply at Savannah, and municipal and industrial pumping steadily increased during the next 100 years. Development of Hilton Head Island as a vacation and retirement community began in the 1960's, and wells open to the Upper Floridan aquifer provided water for municipal supply and for golf course and domestic irrigation. By the early 1990's, the combined demand for groundwater at Savannah and Hilton Head Island had exceeded 100 million gallons per day (Mgal/d).

Groundwater withdrawals peaked in 1990 at 88 Mgal/d in Savannah and 14 Mgal/d on nearby Hilton Head Island. The resulting cone of depression lowered the potentiometric surface below sea level in an area greater than 2,300 square miles, of which about 1,200 square miles (53 percent) are overlain by saltwater marshes, rivers, and the Atlantic Ocean. This change in groundwater potentiometric surface reversed

the upward discharge of freshwater allowing saltwater, where present, to migrate downward through the upper confining unit toward the Upper Floridan aquifer.

An earlier investigation (in review) by DHEC, in cooperation with the U.S. Geological Survey, used pore-water analyses to show that saltwater is migrating downward through the upper confining unit at both an offshore location (7-mile site) and an onshore location (Bull River site). The results of the pore-water analyses verified the downward migration of surficial saltwater through the upper confining unit overlying the Upper Floridan aquifer thereby demonstrating an alternative pathway for saltwater to enter coastal aquifers in addition to the known pathways of lateral encroachment and upward intrusion. Other data obtained for this report were used to estimate the area of greatest downward flow by applying Darcy's Law. This approach indicated that an area of about 420 square miles east and northeast of Savannah, Ga. might be contributing 7.7 Mgal/d of downward flow to the Upper Floridan aquifer. Because of the high probability that downward saltwater migration will impact Upper Floridan aquifer water quality in the near future, it is an area of concern to water users and water managers in the region.

To further evaluate the area of concern, a one-dimensional solute-transport equation was used to simulate the future arrival times for a given concentration of chloride to reach the top of the Upper Floridan aquifer through the upper confining unit within the area of concern. These simulations predicted that the arrival times for saltwater having a concentration of 500 milligram per liter chloride ranged between 1980 and 2118, with an average arrival time of approximately 36 years from 2005, or 2041. The report did not address how future water-quality changes in parts of the Upper Floridan aquifer will affect potable water supplies or how potential water-quality changes would respond to changes in pumping.

The purpose of this investigation is: (1) to better determine the current distribution, volume, and rate of the downward migration of saltwater through the upper confining unit into the Upper Floridan aquifer to the north, east, and southeast of Savannah, GA; (2) to determine how the downward migration of saltwater will mix with fresher water in the Upper Floridan aquifer and move inland toward pumping wells and (3) to evaluate how changes in groundwater withdrawals will impact the rate of downward saltwater migration. The investigation will start in early 2007 and end in late 2010. It is anticipated that the project will include construction of six to eight offshore boreholes in the Savannah – Hilton Head Island area to obtain hydro-geologic and water-quality data. Pore water extracted from geologic cores taken from the upper confining unit will be used to obtain direct measurements of chloride concentrations and stable isotopes of water. Data obtained as part of the drilling will be used to refine current estimates the thicknesses and head differences across the upper confining unit, and to evaluate the age and quality of water in the surficial sediments and the Upper Floridan aquifer using CFC analysis. Tests will be conducted on geologic core to better determine hydraulic conductivity and the effective porosity of the upper confining unit, data that are necessary to better refine existing groundwater models.

SEAWAT, a U.S. Geological Survey model, will be used to simulate the water-quality changes that would occur as brackish or saltwater migrates through the upper confining unit and into the top of the Upper Floridan aquifer. Specifically, the model will be developed to assist with determining how downward saltwater migration will impact the Upper Floridan aquifer over time and to what extent pumping reductions will delay saltwater contamination of public supply wells.

The study will be partly funded by key stakeholders being affected by the saltwater contamination, such as Beaufort Jasper Water and Sewer Authority. Letters of financial commitment from several stakeholders have already been submitted to the agency. It is possible that Georgia

will also provide funds for this study. The requested funds represent South Carolina's contribution to study this significant threat to our drinking water supplies.

(2)

FY 2007-08 Cost Estimates:	State Non-Recurring Funds	State Recurring Funds	Federal	Other	Total
Personnel:					
(a) Number of FTEs*		2.00			2.00
(b) Salary		\$81,179			\$81,179
(c) Fringe Benefits		\$25,977			\$25,977
Program/Case Services					\$ 0
Pass-Through Funds	500,000				\$ 500,000
Other Operating Expenses	\$78,000	\$70,921			\$148,921
Total	\$ 578,000	\$ 178,077	\$ 0	\$ 0	\$756,077
<i>* If new FTEs are needed, please complete Section G (Detailed Justification for FTEs) below.</i>					

(3) Base Appropriation:

State	\$9,465,774
Federal	\$13,961,870
Other	\$12,147,470

(4) Is this priority associated with a Capital Budget Priority? No If so, state Capital Budget Priority Number and Project Name: _____.

G. Detailed Justification for FTEs

(1) Justification for New FTEs

(a) Justification: To accomplish this task, two new positions are needed. A hydrogeologist would be responsible for management of the capacity use groundwater monitoring network. Duties would include maintaining the monitoring probes and download data, analyzing the data, and producing reports for management. An environmental health manager would be responsible for providing technical support for the agency's participation in River Basin Advisory Commissions that have been established between North and South Carolina. Duties would

include analyzing water use data, participation in committee discussions as a technical resource and making recommendations to and producing reports for management.

(b) Future Impact on Operating Expenses or Facility Requirements: If this request is fully funded, no currently known additional operating funds will be needed in the future. The new FTE's would be housed within existing facilities.

(2) Position Details:

	State	Federal	Earmarked	Restricted	Total
Position Title: Geologist/Hydrologist I					
(a) Number of FTEs	1.00				1.00
(b) Salary	\$38,200				\$38,200
(c) Fringe Benefits	\$12,224				\$ 12,224

	State	Federal	Earmarked	Restricted	Total
Position Title: Environmental Health Manager II					
(a) Number of FTEs	1.00				1.00
(b) Salary	\$42,979				\$42,979
(c) Fringe Benefits	\$13,753				\$13,753

(3) FTEs in Program Area per FY 2006-07 Appropriation Act:

State 171.34
Federal 109.70
Other 159.98

Agency-wide Vacant FTEs as of July 31, 2006: 777.70 % Vacant 15.8%

H. Other Comments:

Hazardous Waste Site Supervision

B. Priority No. 16 of 19

C. (1) Title: **Hazardous Waste Site Supervision**

(a) Summary Description: Funding is requested for **\$333,985** in recurring funds to perform the following: an adequate number of hazardous waste inspections, conduct sampling activities to support inspection/enforcement/legal activities, provide compliance assistance to members of the regulated community who do not have access to current environmental management best practices, conduct risk assessment and technical oversight at contaminated sites, and provide oversight activities at the Pinewood Site.

Federal grant funding levels have steadily declined over the past ten years. The cumulative total difference between the amounts requested in the annual Resource Conservation Recovery Act (RCRA) federal grant application and the amount received since federal FY 2003 is \$952,767.00. **With the continued decrease in funding, the agency will be unable to maintain 4 positions on the federal grant; however, the federal requirements for the hazardous waste program will remain.** The agency is requesting funds for these positions.

Current records indicate that 311 large quantity generators (LQGs) and 1,125 small quantity generators (SQGs) have notified the state of hazardous waste management activities within South Carolina. The current federal grant work plan application requests funding for inspections of twenty percent, or a total of seventy (70) inspections, at a combination of LQGs and SQGs annually. EPA National Program Guidance specifies inspections of twenty percent of the LQG universe and three percent of the SQG universe for a total of ninety-nine (99) inspections. These numbers do not include the probability that additional inspections will be needed for companies that have not notified the agency of hazardous waste activities. Such additional inspections could reasonably lead to a need for sampling activities and/or additional formal administrative enforcement actions. One (1) Environmental Health Manager II is requested to support inspection activities and pursue formal enforcement activities.

The FY2007 grant application allows for a projected one-hundred (100) compliance assistance visits to companies that manage hazardous waste. Most SQGs are small, family owned businesses with limited knowledge of regulatory requirements and best management practices for the hazardous waste(s) generated during business activities. Conducting compliance assistance visits enables the agency to provide training aimed toward preventing environmental tragedies that may require state dollars to clean up and to establish relationships with these regulated entities. Results from a recent in-state survey indicated that additional compliance information on hazardous waste requirements was one of the top three requested topics for an upcoming environmental compliance workshop. One (1) Environmental Health Manager II position is requested to provide compliance assistance to the regulated community.

When inspections reveal mismanagement of wastes in a manner that has severely impacted the environment, proper sampling activities are needed to support clean up requirements and enforcement/legal cases. Past history indicates that discovery of these sites may require 15 – 20 hazardous waste sampling events. The type of sampling needed typically costs \$2,000.00 per event. While adequate sampling personnel are in place, funding to conduct needed sampling and laboratory analysis are not. The agency is requesting \$30,000 to conduct sampling and to support inspection/enforcement/legal cases.

Agency records indicate that for the period October 1, 2004 through September 30, 2005, 153 decision documents were reviewed for which expertise from a Risk Assessor was required. Cleanup and combustion related permitting decisions for hazardous waste facilities overseen by the State's Hazardous Waste Management Program is increasingly based upon risk level. The program needs a senior risk assessor (Environmental Health Manager III) funded by the state to support the decisions made by this program.

The Pinewood Site, a hazardous waste disposal facility located in Sumter County, was operated by the Safety Kleen Corporation prior to a bankruptcy filing by that corporation. A Trust Fund was established and a trustee secured to assist the agency in the complex task of managing the site during post-closure. From the agency's vantage, superior understanding of complex engineering and hydrogeology principals, knowledge to maintain compliance with facility permits and associated regulations, ability to establish and track budgets and the ability to secure and oversee the work of subcontractors will be required to adequately address the long term care at the site. It is requested that one (1) position be established as an Engineer/Associate Engineer III.

Technical work in the cleanup of RCRA regulated sites, especially in relation to complex groundwater contamination problems and financial assurance estimating, is and will continue to increase as more facilities strive to attain closure. Current staffing level is not sufficient to maintain the existing project load and is resulting in an accumulating backlog. One (1) senior hydrologist (RCRA Hydrologist/Geologist III) position is necessary to improve the current workload response and to better meet future need.

(3) Strategic Goal/Action Plan (*if applicable*): DHEC is committed to a healthy and safe environment for all citizens. The agency's broad goal to: *Protect, enhance and sustain environmental and coastal resources* focuses on maintaining the quality of the environment, correcting past mistakes and improving the environment for the future. Compliance assistance, inspections, and enforcement activities help prevent non-compliance, return violators to compliance, eliminate or prevent environmental harm, deter others from misconduct, and preserve a level playing field for responsible companies that abide by the law. Understanding of complex engineering and hydrogeology principals, knowledge to maintain compliance with facility permits and associated regulations, ability to establish and track budgets and the ability to secure and oversee the work of subcontractors will be required to improve current workload response and better meet needs. This request is highlighted in the agency's 2005-2006 Annual Accountability Report in section III.7.2.

D. Budget Program Number and Name: II.D. – Land and Waste Management

E. Agency Activity Number and Name: 959 – Land and Waste Management

F. Detailed Justification for Funding:

(1) Justification for Funding Increase: Adequate funding of the Hazardous Waste Management program will enable the agency to employ an integrated approach of compliance assistance, compliance incentives and innovative civil enforcement that maximizes compliance and reduces threats to public health and the environment by preventing, controlling and abating environmental pollution. Technical work in the cleanup of RCRA regulated sites, especially in relation to complex groundwater contamination problems, is and will continue to increase as

more facilities strive to attain closure. The current staffing level is not sufficient to maintain the existing project load and is resulting in an accumulating backlog. Additional positions are necessary to improve the current workload response and to better meet future needs.

(2)

FY 2007-08 Cost Estimates:	State Non-Recurring Funds	State Recurring Funds	Federal	Other	Total
Personnel:					
(a) Number of FTEs*		5.00			5.00
(b) Salary		\$224,488			\$224,488
(c) Fringe Benefits		\$71,837			\$71,837
Program/Case Services					\$ 0
Pass-Through Funds					\$ 0
Other Operating Expenses		\$37,660			\$37,660
Total	\$ 0	\$333,985	\$ 0	\$ 0	\$333,985
<i>* If new FTEs are needed, please complete Section G (Detailed Justification for FTEs) below.</i>					

(3) Base Appropriation:

State	\$3,544,261
Federal	\$8,925,888
Other	\$12,921,033

(4) Is this priority associated with a Capital Budget Priority? No If so, state Capital Budget Priority Number and Project Name: _____.

G. Detailed Justification for FTEs

(1) Justification for New FTEs

(a) Justification: 5 new positions are needed to implement these activities. Five (5) positions will be located in both Central Office and the Regions.

(b) Future Impact on Operating Expenses or Facility Requirements: If this request is fully funded, no additional funds are needed. Staff will be assigned to existing facilities.

(2) Position Details:

	State	Federal	Earmarked	Restricted	Total
Position Title: Environmental Health Manager III					
(a) Number of FTEs	1.00				1.00
(b) Salary	\$48,862				\$48,862
(c) Fringe Benefits	\$15,636				\$15,636

	State	Federal	Earmarked	Restricted	Total
Position Title: Engineer/Associate Engineer III					
(a) Number of FTEs	1.00				1.00
(b) Salary	\$48,862				\$48,862
(c) Fringe Benefits	\$15,636				\$15,636

	State	Federal	Earmarked	Restricted	Total
Position Title: Geologist/Hydrogeologist III					
(a) Number of FTEs	1.00				1.00
(b) Salary	\$48,682				\$48,682
(c) Fringe Benefits	\$15,636				\$15,636

	State	Federal	Earmarked	Restricted	Total
Position Title: Environmental Health Manager II					
(a) Number of FTEs	2.00				2.00
(b) Salary	\$77,902				\$77,902
(c) Fringe Benefits	\$24,929				\$24,929

(3) FTEs in Program Area per FY 2006-07 Appropriation Act:

State	72.29
Federal	142.61
Other	94.58

Agency-wide Vacant FTEs as of July 31, 2006: 777.70 % Vacant 15.8%

H. Other Comments:

Facilities Improvements

B. Priority No. 17 of 19

C. (1) Title: **Facilities Improvements**

(2) Summary Description: This request for a total of **\$3,365,000** in non-recurring funds.

Part 1. Health Facilities: \$1,000,000 will help to improve access to essential public health services on the local level through joint funding efforts with local government and community organizations. The construction, renovation and maintenance of DHEC's local health department facilities is critical to meet the needs of our customers. These funds would complement and expand the opportunities for support from local government for county supported buildings that house public health programs.

Part 2. Environmental Quality Control Office and Laboratory: \$2,365,000 is requested to renovate and expand the Region III-Catawba Environmental Quality Control (EQC) Office. The existing EQC facility was the original water filtration building for the City of Lancaster, dating back to the pre-1940's. The building is not ADA-complaint and has not had any significant upgrades since the 1970's. The laboratory space has deteriorated to the point of requiring significant repair and upgrading, including HVAC, electrical, plumbing, flooring, cabinetry and other safety considerations. Neither the lab nor the office space is adequate to meet operational and programmatic needs. The constraints of the office inhibit efficient operations, for example, the computer server is currently housed in the men's restroom. The proposed improvements and repair will provide additional office space, allow for handicapped access to the building, and provide new and improved laboratory space.

DHEC's Environmental Laboratories have limited or no capability for the monitoring of certain chemical and radiological contaminants associated with environmental emergencies. Historically, the laboratories have relied upon existing equipment and analytical methodologies associated with routine environmental compliance monitoring during emergencies. This has often limited and in some cases precluded the agency's ability to analyze and/or quantitate unregulated chemical and radiological contaminants.

The Central Laboratory's antiquated "Gamma" detection system would be replaced first. Without the needed upgrade, the Radiological Laboratory would not be capable of adequately responding to a nuclear emergency in a timely manner. The new system would also allow the laboratory to utilize newer, more efficient analytical methodology that has been developed for some of the radiological contaminants. With the proper training (included in the quote), existing laboratory staff would be utilized to operate the new "Gamma" detection system.

The additional equipment would enable staff to designate specific instrumentation to run highly contaminated and/or dirty samples without the danger of destroying an on-line instrument's capabilities with regard to analyzing the less contaminated and/or relatively clean samples. The preceding scenario could be accomplished with the existing laboratory staff and minimal additional training.

(3) Strategic Goal/Action Plan (*if applicable*): This request support all of the agency's broad goals: *Increase support to and involvement by communities in developing healthy and environmentally sound communities; Improve the quality and years of healthy life for all; Eliminate health disparities; Protect, enhance and sustain environmental and coastal resources; and Improve organizational capacity and quality* and is highlighted in the agency's 2005-2006 Annual Accountability Report on page 8.

- D. Budget Program Number and Name: II E 4 – Family Health: Access to Care, II A 2 – Water Quality Improvement: Water Management, and II D Land and Waste Management.
- E. Agency Activity Number and Name: 975 - Assuring Public Health Services, 952 – Water Management - Water Pollution Control, and 959 Land and Waste Management
- F. Detailed Justification for Funding:

(1) Justification for Funding Increase: All funds will be non-recurring.

Part 1. The conditions in our public health facilities throughout the state continue to deteriorate. Over one million citizens receive critical services annually either in these aging facilities or from our staff that is housed in them. A significant number of county health department facilities were constructed in the late 1950's using federal Hill-Burton funds. The county governments have worked hard to maintain these facilities along with local DHEC staff; however, they are continuing to deteriorate to the point that maintenance is becoming impossible and extremely expensive. In addition to the age, the design of these facilities was done at a time where the provision of public health care services was very different than it is today. The recent Health Insurance Portability and Accountability Act of 1996 (HIPAA) has made for a number of changes in needs as well. There are no sources of funds appropriated for the replacement or renovation of any of these facilities. The agency intends to seek any federal, local or other funds available to assist in maximizing these funds for this purpose. If funding is not received, these facilities will continue to deteriorate and will be forced to close or undergo even more expensive renovations at a later date. This will result in limited access or no services for some citizens. With \$1,000,000 in non-recurring funds, DHEC can systematically work on renovating and constructing new facilities, giving priority to those facilities with the greatest need. Examples of current needs include:

- Facilities at Chesnee and Inman need new roofs at \$18,000 each for a total of \$36,000.
- Central heating/air-conditioning is needed at Chesnee, Inman, Woodruff at \$10,000 for a total of \$30,000.
- The parking lot needs to be modified at Spartanburg County Health Department for a total of \$12,000.
- Renovations are needed on the Greenville County Health Department 2nd Floor for a total of \$20,000.
- The Florence Annex at 1705 W. Evans Street, a county owned facility, needs a new roof with an estimated cost of \$50,000.
- A new facility in Kershaw County is needed of approximately 13,000 square feet with an estimated cost of \$1.65 million. This need has been discussed with county administration.
- Dillon County Health Department, which was built in 1950 with an addition to it in 1970s, is in need extensive renovations or a new facility.

- The Jasper County facility is 76 years old. Preliminary plans calls for a 5,500 square feet facility with an estimated cost of \$660,00 to \$700,000.
- The Lexington County Facility needs replacing. Preliminary plans call for a 35,000 square foot facility at an estimated cost of \$4.2 million.
- The Lancaster County Facility needs renovation. Based upon similar work just completed in Chester the cost would be approximately \$35,000.
- The health department in Holly Hill is old and outdated. Orangeburg County is planning to renovate a previous school facility for use by the county, the town of Holly Hill and the health department. The estimated cost to renovate the joint-use facility is \$3 million of which the county/town has \$1.4 million available. The county is trying to obtain grants for \$1.6 million. Approximately 12,116 square feet of the facility is designated for the health department. Orangeburg County is ready to move on this, but needs additional funds.
- Aiken County needs a new county administrative building. There are plans to include a new health department in the administrative complex, which is greatly needed. The health department would be about 30,000 square feet with an estimated cost of \$4.5 million.
- The Abbeville County Health Department needs replacing because of mildew problems and building sinkage. The county is looking at developing a one-stop-shop in the old hospital; the cost for a health facility is \$1.7 million for 11,300 square feet.
- The Anderson County Health Department needs approximately \$300,000 to complete a pending expansion project with the county.

These funds would complement and expand the opportunities for support from local government for county supported buildings that house public health programs.

Part 2. Needs for the agency Environmental Quality Control Office and Laboratory include:

(a) Approximate cost for renovation of Region III – EQC Office

- a.Improvement planning (architect or engineering designs): ~\$50,000
- b.Demolition and disposal of unused filter basins = ~\$30,000
- c.Additional office and laboratory space of approximately 3000 sq. ft. @~\$120/sq ft = \$360,000
- d.Renovation of existing office space = \$100,000
- e. New laboratory equipment including chemical resistant flooring, cabinets, and countertops, fume hoods, etc. = ~\$75,000

(b) This is a one-time request to purchase equipment for the Environmental Laboratories to perform emergency, chemical and radiological testing. Equipment needed includes:

- Six “Gamma” Detection Systems - \$912,000
- Various types of Laboratory Equipment to include:
One gas-chromatograph; One gas-chromatograph/mass spectrometer; One inductively coupled plasma/mass spectrometer;
One inductively coupled plasma-atomic emissions spectrophotometer; three fume hoods and One auto sampler - \$830,000

(2)

FY 2007-08 Cost Estimates:	State Non-Recurring Funds	State Recurring Funds	Federal	Other	Total
Personnel:					
(a) Number of FTEs*	0.00				0.00
(b) Salary					
(c) Fringe Benefits					
Program/Case Services					
Pass-Through Funds					
Other Operating Expenses	\$3,365,000				\$3,365,000
Total	\$3,365,000	\$0	\$ 0	\$ 0	\$3,365,000
<i>* If new FTEs are needed, please complete Section F (Detailed Justification for FTEs) below.</i>					

(3) Base Appropriation:

State	\$53,200,702
Federal	\$64,137,334
Other	\$48,934,857

(4) Is this priority associated with a Capital Budget Priority? No. If so, state Capital Budget Priority Number and Project Name: _
_____.

G. Detailed Justification for FTEs: None

Agency-wide Vacant FTEs as of July 31, 2006: 777.70 % Vacant 15.8%

Onsite Wastewater Systems and Subdivisions

B. Priority No. 18 of 19

C. (1) Title: **Onsite Wastewater Systems and Subdivisions**

(2) Summary Description: This request is for a total of **\$920,589**. This includes \$873,839 in recurring funds and \$46,750 in non-recurring funds for increased staffing to improve the response time for processing and approving applications for permits for onsite wastewater (septic tank) systems, to conduct program surveillance and staff training, and to provide additional technical assistance to the public and to permitting staff in the county health departments.

Increasing staff size will: allow for more efficient and thorough evaluation of sites, which are becoming more and more marginal as development continues to increase; for **reductions in the response times for individual septic tank system permit applications and subdivision reviews**; for providing better technical assistance and training; and for conducting routine program surveillance activities designed to ensure compliance with all applicable regulations and procedures. These actions and commitments will help to ensure improved protection of public health and critical environmental resources. This service will be provided predominantly by local (county and region) health department staff.

(3) Strategic Goal/Action Plan: These activities are addressed by the agency's broad goal to: *Protect, enhance and sustain environmental and coastal resources* and in the objective: *Reduce direct and indirect loading of pollutants to surface waters and ground waters*.

D. Budget Program Number and Name: II E 1- Family Health: Infectious Disease Prevention

E. Agency Activity Number and Name: 966 - Infectious Disease Prevention – General Sanitation Program

F. Detailed Justification for Funding:

(1) Justification for Funding Increase

Public sewer is not available or may not be feasible in many parts of South Carolina, and there are **presently more than 900,000 septic tank systems in the state. In FY06, staff evaluated more than 24,000 sites for new septic tank systems.** The septic tank program is driven by public demand, and adequate staffing must be available in order to provide timely services to the public in evaluating permit applications, inspecting completed systems, partnering and coordinating with regulated communities, and responding to environmental complaints. Additional staff are needed to achieve and maintain improved response times.

The agency's goal is to achieve and maintain a response time for septic tank system permit applications of 10 working days and subdivision review of 30 working days statewide. Currently, the average response time across the state is much higher, with the septic tank system permit application response time varying from 10 to 30 working days, and subdivision review time varying from 45 to 60 working days. In addition to creating inconveniences for the public, contractors and developers, such delays literally equate to an increase in actual costs for all persons seeking permits and approvals.

Wastewater Program Survey and Staff Certification procedures are a key component in assuring scientifically based site and soil evaluations, proper permitting and approval of sites and systems, and compliance with applicable laws and regulations. The Survey and Certification procedures are the department's Continuous Quality Improvement measures designed to assure that all employees are properly trained in site evaluation and permitting of septic tank systems, and that appropriate oversight and monitoring are provided. Statewide surveillance and monitoring of the site evaluation and permitting process is necessary to insure that staff are properly evaluating sites and septic systems in accordance with applicable statutory requirements.

Funding is needed in order to establish a position for a professional soil classifier who specializes in soils evaluation for septic tank systems. This person will provide needed scientific and technical assistance and will provide continuous training for staff in the county and regional health departments in the state. To meet recent developments in the onsite wastewater field, the program needs a staff member who has an accredited educational background, professional training and experience in this area of expertise, and who is certified and credentialed as a professional soil classifier.

Regulation 61-56.1 requires that septic tank contractors and pumpers be licensed by DHEC in order to install and/or pump septic tank systems. Regulations require that DHEC staff must inspect each new septic tank system at the time of its installation and that all pump trucks and pumping manifests must be inspected at least annually. Staff are also involved in investigations of illegal discharges of septage and the enforcement actions that may result from these investigations. Additional funding is needed to insure that the staffing level is adequate to meet these regulatory responsibilities.

Existing wastewater funds come from two sources, inspection fees and state funding. In FY06 approximately \$1,440,000 was provided from state funding and \$1,972,000 came from inspection fees. These resources are insufficient to meet current and future demand and to fund the activities previously described. In order to meet demand and provide adequate protection of health and the environment, additional resources are needed.

(2)

FY 2007-08 Cost Estimates:	State Non-Recurring Funds	State Recurring Funds	Federal	Other	Total
Personnel:					
(a) Number of FTEs*		17.00			17.00
(b) Personal Service		\$550,928			\$550,928
(c) Employer Contributions		\$176,297			\$176,297
Program/Case Services					\$ 0
Pass-Through Funds					\$ 0
Other Operating Expenses	\$46,750	\$146,614			\$ 193,364
Total	\$ 46,750	\$ 873,839	\$ 0	\$ 0	\$ 920,589
<i>* If new FTEs are needed, please complete Section G (Detailed Justification for FTEs) below.</i>					

(3) Base Appropriation:

State	\$12,053,353
Federal	\$50,248,209
Other	\$3,628,312

(4) Is this priority associated with a Capital Budget Priority? No If yes, state Capital Budget Priority Number and Project Name: _____.

G. Detailed Justification for FTEs

(1) Justification for New FTEs

(a) Justification: The additional FTEs are needed: to meet the public demand **for prompt response times for septic tank system permit applications and subdivision reviews**; to conduct program surveillance and staff training and certification; and to provide scientific, professional technical assistance to staff statewide. These program functions are essential to fulfilling the agency goal to protect public health and the environment.

(b) Future Impact on Operating Expenses or Facility Requirements: If this request is fully funded, no currently known additional operating funds will be needed in the future.

(2) Position Details:

	State	Federal	Earmarked	Restricted	Total
Position Title: Environmental Health Manager I					
(a) Number of FTEs	14.00				14.00
(b) Personal Service	\$407,428				\$ 407,428
(c) Employer Contributions	\$130,377				\$ 130,377

	State	Federal	Earmarked	Restricted	Total
Position Title: Environmental Health Manager II					
(a) Number of FTEs	2.00				2.00
(b) Personal Service	\$86,500				\$ 86,500
(c) Employer Contributions	\$27,680				\$ 27,680

	State	Federal	Earmarked	Restricted	Total
Position Title: Environmental Health Manager III					
(a) Number of FTEs	1.00				1.00
(b) Personal Service	\$57,000				\$ 57,000
(c) Employer Contributions	\$18,240				\$ 18,240

(3) FTEs in Program Area per FY 2006-07 Appropriation Act:

State 150.80
Federal 105.45
Other 56.14

Agency-wide Vacant FTEs as of July 31, 2006: 777.70 % Vacant 15.8%

H. Other Comments:

The majority of county governments in the state cannot issue a building or improvement permit unless public sewer is available to the proposed development site, or unless the county health department issues a permit for the construction of an onsite wastewater treatment and disposal system. Thus the septic system permit is a prerequisite to obtaining a building permit. For this and other reasons, site evaluation and septic tank system permitting are of great economic importance to the state's development and homebuilding industries. It is essential that site evaluations and septic tank system permitting be conducted in a timely manner.

At the same time, sites proposed for septic tank systems are becoming more difficult to evaluate, requiring more time per site, for several reasons (we are literally running out of "good land", as it relates to septic systems). Generally, larger dwellings are being constructed on smaller sites, placing greater demands on site conditions and septic system designs for adequate wastewater treatment capability. The number of available sites that are suitable for septic tank systems becomes fewer with continued development. Demand increases for development of remaining sites where conditions are less than optimal for septic tank systems. More site evaluation time is required for these sites, and more time is required to design septic tank systems adapted to the sites' limitations.

The agency continues to receive complaints from the public concerning lengthy response times for the issuance of septic tank permits. It is critical that adequate staffing is available to evaluate proposed sites thoroughly and correctly, and to make sound permitting decisions. Additional funding is needed to address this need.

Contaminated Hazardous Waste Sites Cleanup Fund

B. Priority No. 19 of 19

C. (1) Title: Contaminated Hazardous Waste Sites Cleanup Fund

(2) Summary Description: Funding is requested for **\$750,000** in recurring funds for contractual services to conduct immediate assessment and cleanup of contaminated hazardous waste sites throughout the state from the release of hazardous pollutants which may pose an imminent and substantial threat to human health and the environment that are not eligible for federal funds. In the past, funds for these activities were generated from fees assessed for the disposal of waste at the Saftey-Kleen Pinewood landfill. This facility has reached capacity and no longer generates funds for cleanup purposes. Without a continued funding source, the department will be unable to procure contractual services to assess and cleanup contaminated sites and respond immediately to releases, prioritize, assess, and clean up contaminated sites, recover funds used in site cleanup, conduct waste minimization and reduction activities, implement the Brownfields Redevelopment Initiative, or the state's Voluntary Cleanup Program. The department will be unable to respond to situations similar to the Starmet depleted uranium site in Barnwell County, Hollis Road, South Lake Drive and Tin Products sites in Lexington County, Cardinal Chemical Company in Richland County, Aqua-Tech Site in Spartanburg, Stoller Site in Charleston County, Westgate/Exide site in Greenville County, or many other sites where contamination threatens public health or the environment.

These funds are needed to provide the state's required 10% cost share of federal dollars used for contaminated site cleanup and Cooperative Agreements which provide funding for 12.4 federal FTE's. These activities represent over \$6,000,000 of federal funds for South Carolina. This past year, the Brewer Gold Mine in Chesterfield County was added to the National Priority List (NPL). The current estimate for the interim remedial action only is \$1,949,721. This will require nearly \$200,000 as the state's cost share. If the final remedial action costs more, the state will be required to provide additional funds toward its cost share for this site.

Without a continued funding source, a total of 12.4 federal FTE's will eventually be deleted. The Environmental Protection Agency (EPA) provides no site specific funding to address the majority of the sites in the state. However, EPA requires states to provide a 10% match on federally funded remedial actions and cooperative agreements. Also, the historical nominal state appropriations to the Hazardous Waste Contingency Fund, which was used to clean-up contaminated state's sites, that did not qualify for federal funds, was deleted in the FY06 Appropriations Act.

(2) Strategic Goal/Action Plan (*if applicable*): Providing immediate response, assessment and cleanup of contaminated sites which pose an imminent and substantial threat to human health and the environment caused by hazardous pollutants and to ensure that citizens are confident in the safety of their surroundings and are ensured access to safe drinking water. These activities also ensure a positive business climate that attracts new industry and nurtures and supports existing industry. These objectives impact the DHEC long-term goal, *Protect, enhance and sustain environmental and coastal resources* and is highlighted in the agency's 2005-2006 Annual Accountability Report in section III.7.2.

D. Budget Program Number and Name: II D – Land and Waste Management

E. Agency Activity Number and Name: 959 – Land and Waste Management

F. Detailed Justification for Funding:

(1) Justification for Funding Increase: Funding for this program is needed to meet the broad goal to *Protect, enhance and sustain environmental and coastal resources*. DHEC is responsible for responding, assessing and cleaning up contaminated hazardous waste sites throughout the state. There are three initiatives in the agency's Strategic Plan that reflect the work conducted under this funding: (1) Clean and restore Brownfields and other contaminated sites for beneficial use. The goal is to encourage and facilitate the redevelopment of abandoned, unused, or under-utilized sites with real or perceived contamination by implementing a program that attempts to remove the environmental barriers that prompt prospective purchasers to buy undeveloped land; (2) Minimize the impact to public health and the environment from environmental emergencies, disasters and spills; and (3) Reduce exposure to contaminants.

Funding will support continued mandates to: respond to imminent and substantial threats to human health and the environment, investigate and clean up uncontrolled hazardous waste sites; set priorities for sites by investigating and testing to determine the potential risk to the public health and the environment; maintain community involvement; and, pursue responsible parties to assess and clean up sites or to recover cost when the department funds the response actions.

DHEC works at approximately 100 sites a year; however, there are more than 950 sites that are contaminated or potentially contaminated by hazardous substances.

(2)

FY 2007-08 Cost Estimates:	State Non-Recurring Funds	State Recurring Funds	Federal	Other	Total
Personnel:					
(a) Number of FTEs*					
(b) Personal Service					
(c) Employer Contributions					
Program/Case Services					\$ 0
Pass-Through Funds					\$ 0
Other Operating Expenses		750,000			\$ 750,000
Total	\$ 0	\$ 750,000	\$ 0	\$ 0	\$ 750,000
<i>* If new FTEs are needed, please complete Section G (Detailed Justification for FTEs) below.</i>					

(3) Base Appropriation:

State	\$3,544,261
Federal	\$8,925,888
Other	\$12,921,033

(4) Is this priority associated with a Capital Budget Priority? _____ If yes, state Capital Budget Priority Number and Project Name: _____.

G. Detailed Justification for FTEs: None

FY 2007-08 COST SAVINGS & ACTIVITY PRIORITY ADDENDUM

I. 2% COST SAVINGS ASSESSMENT

A. Agency Section/Code/Name: Section 9 J04 DHEC

Land & Waste Management – Waste Minimization Program

B. Agency Activity Number and Name: 961 - Land & Waste Management – Waste Minimization Program

C. Explanation of Cost Savings Initiative: Elimination of this activity will result in a savings of \$65,577 in State Appropriations.

D. Estimate of Savings:

FY 2007-08 Cost Savings Estimates:	General	Federal	Other	Total
Personnel:				
(a) Number of FTEs	.52	1.6	1.46	3.58
(b) Personal Service	\$19,443	\$64,025	\$48,989	\$132,457
(c) Employer Contributions	\$6,134	\$20,726	\$15,187	\$42,047
Program/Case Services	\$			\$
Pass-Through Funds				
Other Operating Expenses	\$40,000	\$52,487	\$3,283	\$95,770
Total	\$65,577	\$ 137,238	\$ 67,459	\$270,274

E. Activity Impact (*Describe the impact on the activity affected including the impact on customers and clients.*):

These funds provide technical assistance and outreach activities to local municipalities and businesses in the development of waste separation, recycling and resource recovery systems. The program encourages businesses to operate with as little impact to the environment as possible through voluntarily improving performance beyond regulatory compliance. The state funds provide match for the Pollution

Prevention Activities associated with the EPA Performance Partnership Grant. Elimination of this program will result in the elimination of 3.58 positions.

F.

Summary of Cost Savings Initiatives for FY 2007-08:	FUNDING				FTEs			
	General	Federal	Other	Total	State	Fed.	Other	Total
Initiative Title: Land & Waste Management –Waste Minimization Program Prevention								
Activity Number & Name: 961 Land & Waste Management-Waste Minimization Program	\$65,577	\$137,238	\$48,989	\$270,274	.52	1.60	1.46	3.58
Initiative Title:								
Activity Number & Name:	0	0	0	\$ 0	0	1.60	1.46	3.50
Initiative Title:								
Activity Number & Name:	0	0	0	\$ 0	0	0	0	0.00
TOTAL OF ALL INITIATIVES	\$65,577	\$ 137,238	\$48,989	\$270,274	0.52	1.60	1.46	3.58

Savannah River Plant

B. Agency Activity Number and Name: 964 - Savannah River Plant

C. Explanation of Cost Savings Initiative: Elimination of this Special Item will reduce operating funds in the amount of \$89,461.

D. Estimate of Savings:

FY 2007-08 Cost Savings Estimates:	General	Federal	Other	Total
Personnel:				
(a) Number of FTEs				0.00
(b) Personal Service				\$ 0

(c) Employer Contributions				\$ 0
Program/Case Services				\$ 0
Pass-Through Funds				
Other Operating Expenses	\$89,461			\$89,461
Total	\$89,461	\$ 0	\$ 0	\$89,461

- E. Activity Impact (*Describe the impact on the activity affected including the impact on customers and clients.*): These funds are used to conduct monitoring activities in the counties surrounding the Department of Energy's Savannah River Site (SRS) to ensure that the environment has not been adversely impacted by site activities. Water quality, groundwater, air, soil, sediment, milk, food crops, vegetation, fish, wildlife and biological samples are collected and analyzed to assess any impacts to the public health and environment. This Special Item originally funded 12 positions in the DHEC regional office to conduct these activities. Budget reductions over the years have resulted in the loss of these positions and these funds represent the remaining operating associated with this Special Item.

F.

Summary of Cost Savings Initiatives for FY 2007-08:	FUNDING				FTEs			
	General	Federal	Other	Total	State	Fed.	Other	Total
Initiative Title: Savannah River Plant								0.00
Activity Number & Name: 964 Savannah River Plant	\$89,461	0	0	\$89,461	0	0	0	
Initiative Title:								0.00
Activity Number & Name:	0	0	0	\$ 0	0	0	0	
Initiative Title:								0.00
Activity Number & Name:	0	0	0	\$ 0	0	0	0	
TOTAL OF ALL INITIATIVES	\$89,461	\$ 0	\$ 0	\$89,461	0.00	0.00	0.00	0.00

Family Health Centers

- B. Agency Activity Number and Name: 979 - Family Health Centers
- B. Explanation of Cost Savings Initiative: Partial elimination of the state funding associated with this activity.
- D. Estimate of Savings:

FY 2007-08 Cost Savings Estimates:	General	Federal	Other	Total
Personnel:				
(a) Number of FTEs				0.00
(b) Personal Service				\$0
(c) Employer Contributions				\$0
Program/Case Services				\$0
Pass-Through Funds	\$310,056			\$310,056
Other Operating Expenses				
Total	\$310,056	\$ 0	\$ 0	\$310,056

- E. Activity Impact (*Describe the impact on the activity affected including the impact on customers and clients.*): These funds are used to fund health centers and projects throughout the state. This partial elimination would reduce/eliminate funding for the following projects Cross Family Health Center, Family Health Center, Inc, John A Martin Family Health Center, Slater-Marietta Family Health Center, St. James-Santee Family Health Center and the Spartanburg Dental Project.

F.

Summary of Cost Savings Initiatives for FY 2007-08:	FUNDING				FTEs			
	General	Federal	Other	Total	State	Fed.	Other	Total
Initiative Title: Family Health Centers (Pass through)								
Activity Number & Name: 979 Family Health Centers	\$310,056	0	0	\$310,056	0	0	0	0.00
Initiative Title:								
Activity Number & Name:	0	0	0	\$ 0	0	0	0	0.00
Initiative Title:								
Activity Number & Name:	0	0	0	\$ 0	0	0	0	0.00
TOTAL OF ALL INITIATIVES	\$310,056	\$ 0	\$ 0	\$310,056	0.00	0.00	0.00	0.00

Family Health Center: Lancaster-Kershaw

B. Agency Activity Number and Name: 980 - Family Health Center: Lancaster-Kershaw

C. Explanation of Cost Savings Initiative: Elimination of these pass through funds that are appropriated to the agency by the General Assembly for the Lancaster-Kershaw Rural Health Center run by the University of South Carolina Medical School.

D. Estimate of Savings:

FY 2007-08 Cost Savings Estimates:	General	Federal	Other	Total
Personnel:				
(a) Number of FTEs				0.00
(b) Personal Service				\$ 0
(c) Employer Contributions				\$ 0

Program/Case Services				\$ 0
Pass-Through Funds	\$174,055			\$ 174,055
Other Operating Expenses				\$ 0
Total	\$174,055	\$ 0	\$ 0	\$174,055

E. Activity Impact (*Describe the impact on the activity affected including the impact on customers and clients.*): These funds are used by the University of South Carolina to provide a health clinic to the citizens of Lancaster – Kershaw.

F.

Summary of Cost Savings Initiatives for FY 2007-08:	FUNDING				FTEs			
	General	Federal	Other	Total	State	Fed.	Other	Total
Initiative Title: Family Health Center: Lancaster/Kershaw								
Activity Number & Name: 980 Family Health Center: Lancaster-Kershaw	\$174,055	0	0	\$174,055	0	0	0	0.00
Initiative Title:								
Activity Number & Name:	0	0	0	\$ 0	0	0	0	0.00
Initiative Title:								
Activity Number & Name:	0	0	0	\$ 0	0	0	0	0.00
TOTAL OF ALL INITIATIVES	\$ 174,055	\$ 0	\$ 0	\$174,055	0.00	0.00	0.00	0.00

Biotechnology Center

B. Agency Activity Number and Name: 981 - Biotechnology Center

C. Explanation of Cost Savings Initiative: Elimination of the state funding associated with this activity.

D. Estimate of Savings:

FY 2007-08 Cost Savings Estimates:	General	Federal	Other	Total
Personnel:				
(a) Number of FTEs				0.00
(b) Personal Service				\$0
(c) Employer Contributions				\$0
Program/Case Services				\$0
Pass-Through Funds	\$577,620			\$577,620
Other Operating Expenses				
Total	\$577,620	\$ 0	\$ 0	\$577,620

E. Activity Impact (*Describe the impact on the activity affected including the impact on customers and clients.*): These funds are awarded to the agency by the General Assembly for the SC Biotechnology Incubator operating funds.

F.

Summary of Cost Savings Initiatives for FY 2007-08:	FUNDING				FTEs			
	General	Federal	Other	Total	State	Fed.	Other	Total
Initiative Title: Biotechnology Center (Pass through)								0.00
Activity Number & Name: 981 Biotechnology Center	\$577,620	0	0	\$577,620	0	0	0	
Initiative Title:								0.00
Activity Number & Name:	0	0	0	\$ 0	0	0	0	
Initiative Title:								0.00
Activity Number & Name:	0	0	0	\$ 0	0	0	0	
TOTAL OF ALL INITIATIVES	\$577,620	\$ 0	\$ 0	\$577,620	0.00	0.00	0.00	0.00

Rape Violence Prevention

- B. Agency Activity Number and Name: 983 - Rape Violence Prevention
- C. Explanation of Cost Savings Initiative: Elimination of the state funding associated with this activity.
- D. Estimate of Savings:

FY 2007-08 Cost Savings Estimates:	General	Federal	Other	Total
Personnel:				
(a) Number of FTEs				0.00
(b) Personal Service				\$ 0
(c) Employer Contributions				\$ 0
Program/Case Services	\$1,200,000			\$1,200,000
Pass-Through Funds	\$16,512			\$16,512
Other Operating Expenses				\$ 0
Total	\$1,216,512	\$ 0	\$ 0	\$1,216,512

- E. Activity Impact (*Describe the impact on the activity affected including the impact on customers and clients.*): These funds are used to provide technical support to DHEC state and local staff and contracts with the 16 rape crisis centers throughout the state in service delivery and prevention activities. The elimination of this funding will diminish the services provided to victims of sexual assault. In addition, federal funds would be in jeopardy due to the Maintenance of Effort required by the Prevention Block Grant. These funds and expenditures support the drawdown of the Prevention Block Grant received by the state.

F.

Summary of Cost Savings Initiatives for FY 2007-08:	FUNDING				FTEs			
	General	Federal	Other	Total	State	Fed.	Other	Total
Initiative Title: Rape Violence Prevention								0.00
Activity Number & Name: 983 Rape Violence Prevention	\$1,261,512	0	0	1,216,512	0	0	0	
Initiative Title:								0.00
Activity Number & Name:	0	0	0	\$ 0	0	0	0	
Initiative Title:								0.00
Activity Number & Name:	0	0	0	\$ 0	0	0	0	
TOTAL OF ALL INITIATIVES	\$1,261,512	\$ 0	\$ 0	1,216,512	0.00	0.00	0.00	0.00

FY 2007-08 COST SAVINGS & ACTIVITY PRIORITY ADDENDUM

II. PRIORITY ASSESSMENT OF AGENCY ACTIVITIES

- A. Agency Section/Code/Name: Section 9 J04 DHEC
- B. Agency Activity Numbers and Names: 980 Family Health Center Lancaster – Kershaw; 964 Savannah River Plant; 983 Rape Violence Prevention; 955 National Estuary Research Reserve; and 961 Land & Waste Management – Waste Minimization Program
- C. Explanation of Lowest Priority Status:
- 980 Family Health Center Lancaster-Kershaw: These are pass-through funds and would have no impact on the agency. Health services provided by the University of South Carolina Medical School are similar to services provided by the local health department.
 - 964 Savannah River Plant: These funds are used to conduct monitoring activities in the counties surrounding the Department of Energy's Savannah River Site to ensure that the environment and public health has not been adversely impacted by site activities.
 - 983 Rape Violence Prevention: The majority of these funds are distributed to the sixteen (16) rape crisis centers throughout the state based on DHEC's service standards. The agency serves in a technical support/advisement capacity.
 - 955 National Estuary Research Reserve: DHEC administers the ACE Basin NERR Construction Fund grant and the associated pass-through contract to the SC Department of Natural Resources (DNR). The contract with DNR funds the planning, design and initial construction of a centralized visitor center and phases of construction for the Bennett's Point field research station and the Edisto Interpretive Center. DHEC no longer has management or fiscal responsibility for this program.
 - 961 Land & Waste Management-Minimization Program: The program provides technical assistance and outreach activities to local municipalities and businesses in the development of waste separation, recycling and resource recovery systems. The program encourages businesses to operate with as little impact as possible through voluntarily improving performance beyond regulatory compliance.

D. Estimate of Savings:

Estimate of Savings:	General	Federal	Supplemental	Capital Reserve	Other	Total
Personnel:						
(a) Number of FTEs	.52	1.60	0	0	1.46	3.58
(b) Personal Service	\$19,443	\$135,737	0	0	\$48,989	\$204,169
(c) Employer Contributions	\$6,134	\$24,864	0	0	\$15,187	\$46,185
Program/Case Services	\$1,200,000	\$595,891	0	0	0	\$1,795,891
Pass-Through Funds	\$190,567	0	0	0		\$190,567
Other Operating Expenses	\$129,461	\$755,581	0	0	\$3,283	\$888,325
Total	\$1,545,605	\$ 1,512,073	\$ 0	\$ 0	\$67,459	\$3,125,137

E. Activity Impact (*Describe the impact on the activity affected including the impact on customers and clients.*):

- 980 Family Health Center Lancaster-Kershaw: These are pass-through funds. The reduction of these funds would impact the citizens of Lancaster/Kershaw counties and provide for fewer health services in the local community.
- 964 Savannah River Plant: Other funding sources would need to be identified to continue the monitoring activity for the three counties surrounding the Department of Energy's Savannah River Site to ensure the public's health and the environment are not comprised.
- 983 Rape Violence Prevention: The majority of these funds are distributed through the rape crisis centers throughout the state. The reduction of these funds would result in less medical treatment, education and technical support for victims of sexual assault.
- 955 National Estuary Research Reserve: DHEC's customer impacted would be DNR and their associated research, education and stewardship staff who would use these facilities to meet their commitments. In turn DNR's customers would be the general public. By eliminating this program, DHEC will reduce administrative costs associated with financial management of the award and contract administration. Loss of this program will transfer administrative responsibility for future grant awards and sub-contracts to DNR.

- 961 Land & Waste Management-Minimization Program: Outreach activities to local municipalities and businesses would no longer be available. State funds are used to match EPA federal grants and this will result in the loss of those funds and a reduction of 3.58 FTE's.

F.

Summary of Priority Assessment of Activities	General	Federal	Supplemental	Capital Reserve	Other	Total	FTEs
Activity Number & Name: 980 Family Health Center Lancaster-Kershaw	174,055	0	0	0	0	\$174,055	0
Activity Number & Name: 964 Savannah River Plant	89,461	0	0	0	0	\$89,461	0
Activity Number & Name: 983 Rape Violence Prevention	1,216,512	774,052	0	0	0	\$1,990,564	0
Activity Number & Name: 955 National Estuary Research Reserve	0	600,783	0	0	0	\$600,783	0
Activity Number & Name: 961 Land & Waste Management-Waste Minimization Program	65,577	137,238	0	0	67,459	\$270,274	3.58
TOTAL OF LOWEST PRIORITES	\$ 1,545,605	\$ 1,512,073	\$ 0	\$ 0	\$67,459	\$3,125,137	3.58